



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 Hall, Room 477
Date: November 5, 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 (Legal), City Attorney’s Office

DPD/CRA Staff: Josh Whitehead, Planning Director; and Clara Harris, Principal Planner.

Visitors: John Dudas, Tanja Mitchell, Alex Mobley, and Luretha Phillips.

I. Call to Order

By: Vice-Chair Deborah Massie
 Time: 8:44 A.M. (Officially started)

Agenda Item II.

Item Summary: Approval of Minutes – September 3, 2015
 Discussion Summary: Board Member Martin made a motion to approve the minutes of September 3, 2015, with the grammatical changes noted by Vice-Chair. The motion was seconded by Board Member Hill. The motion passed unanimously.

*Agenda Items III and IV were discussed collectively but voted on individually.

Clara Harris gave an update & explanation of the proposed Resolution for agenda item IV and some of the concerns, especially regarding Direct Draw Funds funding the project due to

ownership. After Legal advisement, CRA can fund affordable housing project without real estate transfers being made from Oasis to MLB, then MLB to Habitat and Oasis of Hope following subdivision development.

John Dudas made the Board aware that a portion of the Bearwater Subdivision is entitled to the Health/Ed Board because Oasis secured a PILOT several years ago when they were doing the first phase of the project. So a portion of the Bearwater Subdivision, in a sort of a strange line, the way they drew it, is now owned by the Health/Ed Board, so that Board is going to have to transfer title to Oasis. Attorney Hearn asked if the PILOT is still active. Mr. Dudas responded yes but there is nothing there at this point – just vacant land. A portion of the PILOT is serving the 10 homes that Oasis initially built, but they also drew the PILOT in such a way that they cover the rest of what they called Phase II, so that portion is going to have to be transferred to Oasis, because that portion will be for homeowners paying taxes. Mr. Dudas stated that Health/Ed understands that the PILOT has to exclude everything except the first 10 homes, and is willing to do the transfer. Mr. Dudas stated that portion would have to be transferred to somebody – Oasis or Habitat. Mr. Dudas asked if transfer would be to Oasis then Habitat or transfer to Habitat. Attorney Hearn stated that the transfer would be to Oasis. Vice-Chair Massie stated that Oasis is the entity who granted to Health Ed Board. Vice-Chair Massie noted that the discussion of whether the transfer would be to Oasis or Habitat could have taken place in the P & P meeting then we would not have to try to figure it out today. Vice-Chair Massie stated that since the PILOT information was just noted, if Resolution is approved, it should be approved contingent upon the following:

1. Transfer from Health/Ed Board to Oasis of Hope
2. Verification from Legal of the transfer
3. Verification from Habitat that they are willing to proceed forward with the partnership & project

Clara Harris also noted that language in the Resolution also requested for the remaining funds NS 14 and NS 18 be used for future construction of new homes. Board Members discussed and consensus is Habitat may use the 21 houses to be constructed in the Bearwater subdivision toward the 50 houses to be constructed in Uptown but the construction of houses in Bearwater subdivision does negate their obligation with CRA & Uptown to build on the outlined MLB lots and that the remaining funds in NS 18 would then initiate additional construction.

Vice-Chair Massie noted that within the Resolution for item IV, language change on, 2nd Page, 4th Item, 2nd “Whereas”, should state the Development and Prep should be for 30 lots, not 25 even though there’s 25 being built but all 30 lots should be prepared for construction.

Clara Harris also explained agenda item III, the re-allocation of funds from NS 18 to NS14, to provide the additional funding for infrastructure and also to provide funds for site prep for the Oasis-Habitat Bearwater Subdivision Development and Affordable Housing Project. She directed attention to the historical tracking of additions to the NS 18 project and the proposed reduction of the site prep, legal, and developer fee line items to be re-allocated to NS14. Ms. Harris the noted an estimated amount of \$200,000 is the remainder after re-allocation which could be used for future new construction of homes. She also suggested that the Board include language in the resolution for agenda item IV/a “Whereas” that Habitat follow the Policies and Procedures already established in NS 18 for TIF funded houses by Habitat to be constructed under NS 14 in the Bearwater Subdivision. The Board agreed.

Agenda Item III.

Item Summary:

Resolution: Changes to NS 18 Habitat New Construction Program Policies & Procedures Budget: Re-allocation of \$200,000 From Site Prep Line Item, \$3,000 From Legal Fees Line Item, and \$20,300 For Developer Fee; A Total of \$223,300 to go to NS 14 NOC Newly Created Habitat- Oasis of Hope – Bearwater Infrastructure-Site Prep-Affordable Housing Project

Discussion Summary:

Board Member Hill made a motion to approve Agenda Item III. with the noted contingencies, modifications discussed and any other edits deemed necessary by staff. The motion was seconded by Board Member Martin. The motion passed unanimously.

Agenda Item IV.

Item Summary:

Resolution: Changes To NS 14 NOC Oasis of Hope – Bearwater Infrastructure Project [Partnership Between Oasis of Hope, Habitat of Memphis & Habitat International, Lauderdale-Greenlaw, LLC, MHA]; Addition of \$200,000 For Site Prep, \$3, 0000 For Legal Fees and \$20,300 For Developer Fee – A Total of \$223,300 Re-allocated From NS 18 Habitat New Construction-- To NS 14 NOC Newly Created Habitat- Oasis of Hope Bearwater Infrastructure-Site Prep-Affordable Housing Project

Discussion Summary:

Board Member Hill made a motion to approve Agenda Item IV.

with the noted contingencies, modifications discussed and any other edits deemed necessary by staff. The motion was seconded by Board Member Martin. The motion passed unanimously.

Agenda Item V.

Item Summary:

Resolution: Policies & Procedures for Commercial Rehab For Essential Services

Discussion Summary:

Clara Harris explained the details of the Resolution to the Board pointing out the Qualifications, Criteria, Activities and Application Process for the Commercial Rehab For Essential Services. She also noted the Developer's Fee was left blank due to discussions from previous Board meeting and recent Policies and Procedures Committee meeting – that Fee of less than 10% fee for Rehab Grant work should be considered based on the thinking that it is anticipated that the project developer will be performing some of the activities that the LG usually performs –LG to provide a list of activities/work they will perform regarding the Grant.

The Commercial Rehab site was discussed noting the further clean-up and clean out of the building, the structural damage, roof damage and asbestos needed to be disposed.

John Dudas distributed information regarding activities LG performs for the current Commercial Rehab Program and activities/work they will perform regarding the Commercial Grant for Essential Services. Vice-Chair Massie suggested and stated that she only felt comfortable to vote on Agenda Item V but not Agenda Item VI. She added that the documents presented on the day of the meeting and concerns with the Developer's Fee needed Chairman Frick's input to engage in more discussion, prior to voting, since he initiated the discussion during last Board meeting. She also noted some changes within the Resolution that Clara Harris is to edit or delete. Mr. Dudas asked Board to approve Policies and Procedures so work can proceed to advertise/send out RFQ/RFP for providers of essential services, and the reallocation resolution so information regarding possibility of grant funds could be included in the RFQ/RFP. After further discussion Board Members decided to vote on both items, but leave the developer fee blank in the Policies and Procedures for Commercial Rehab for Essential Services, and review the Developer's Information during the next Policies and Procedures meeting.

Board Member Hill made a motion to approve Agenda Item V. with the noted contingencies, modifications discussed & any other language changes needed by staff, as well the necessity of

Developers Fee to be discussed in the next Committee and Board Meetings. The motion was seconded by Board Member Martin. The motion passed unanimously.

Agenda Item VI.

Item Summary:

Resolution: Re-allocations of: \$339,274.75 from NS4B (Multi-family Rehab); and \$240,725.25 from NS8 (Historic & Commercial) to NS8 Newly Created Line Item – Commercial Rehab Grant For Essential Services—\$500,000 Grant Funds, Plus \$80,000 for Contingency & Developer Fee -- Total of \$580,000.

Discussion Summary:

Board Member Hill made a motion to approve Agenda Item VI. The motion was seconded by Board Member Martin. The motion passed unanimously.

Agenda Item VII.

Item Summary:

Resolution: Changes to NS 14 NOC Burkle Project.

Discussion Summary:

Clara Harris gave a brief descriptive background of the initial proposed Burkle Project as it related to the acquisition & donation of lots for parking at the location and the \$269,000 budget. Since then, MHA had withdrawn their recommendation for acquisition of 157 Bickford by condemnation. Now, the request is just for the 3 lots on N. Second St. to be designated for parking. Also, it was noted that all of the environmental testing had been done and lots were ready to proceed.

Board Member Martin made a motion to approve Resolution with necessary edits regarding the NS 14 NOC Burkle Project. The motion was seconded by Board Member Thomas. The motion passed unanimously.

Agenda Item VIII.

Item Summary:

Resolution Finding and Expenditure of Funds for Proposed Land Acquisitions – 165 Chelsea, 183 Chelsea, & 705 North Third.

Discussion Summary:

Clara Harris referred to the Findings outlined in the Resolution per the environmental issues, inclusion of parcels in Uptown Plan as Planned Initiative-Chelsea Demonstration Area, and previously approved resolutions regarding the project. She also pointed out in the resolution and attachments that MHA is requesting use/expenditure of funds for acquisition by condemnation for each lot as follows: 165 Chelsea (\$20,000), 183 Chelsea (\$28,000), and 705 N. Third (\$21,000), totaling the \$69,000. Also attached is justification-basis of condemnation prepared by Developer LG. Vice-Chair Massie asked Developer to provide information about environmental testing and results. Board Member Hill asked

questions about the plans-use for the property. Other questions included process and schedule regarding condemnation and timing for any remediation, demolition, site prep, project implementation. Motion of findings and approval for use of funds for acquisition of 165 Chelsea, 183 Chelsea, and 705 N. Third was made by Board Member Hill and was seconded by Board Member Martin. The motion passed unanimously.

Agenda Item IX.

Item Summary: Unfinished Business.
Discussion Summary:

Agenda Item X.

Item Summary: New Business.
Discussion Summary:

Agenda Item XI.

Item Summary: Next Meetings: CRA Committee 11/19/15, CRA Board 12/3/15 – Material due 11/06/2015.
Discussion Summary:

Agenda Item XII.

Item Summary: Adjournment.
Discussion Summary: Meeting was adjourned at 9:43 a.m.

Respectfully Submitted By

Ann W. Langston, Secretary