



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: February 4, 2016

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), Assistant City Attorney

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

Visitors: Steve Barlow, Alex Turley, Ashley Cash, Andrea Curry, John Dudas, Sara Hall, Tanja Mitchell, Luretha Phillips, Wayne Risher, Steve Shular, Dwayne Spencer, Jordan Thomas, Henry Turley and Greg Webb.

I. Call to Order

By: Chairman Frick
 Time: 8:41 A.M.

Agenda Item II.

Item Summary: Approval of Minutes – November 5, 2015
 Discussion Summary: Board Member Martin made a motion to approve the Minutes – November 5, 2015. The motion was seconded by Board Member Hill. The motion passed unanimously.

Agenda Item III.

Item Summary: Resolution & Attachment: Proposed Expanded/Modified Scope of Work and Pay Increase for Promise DC-Neighborhood

Discussion Summary:

Coordinator

Clara Harris gave a brief breakdown of the CRA Resolution with Scope of Work for Neighborhood Coordination and the Letter of Agreement (LOA) between North Memphis Community Development Corporation (NMCDC) and Lauderdale-Greenlaw, LLC (LG) since May 2010. Ms. Harris noted that the Neighborhood Coordinator's position was created for the CRA Uptown Rehab Program and its related projects. The existing scope of work & compensation was indicated in the Uptown Plan Amendment in 2009 and a detail scope of work related to the Rehab Program was approved by resolution of the CRA Board in 2010. Ms. Harris noted that during the course of the Plan amendment the discussion between legal, staff and developer was that the Neighborhood Coordinator should be limited to a project and not a global position as such a position as suggested by developer was a broad interpretation of position/staffing allowed in the CRA Act. The 2010 LOA between NMCDC and LG included: the scope of work from the resolution, Tanja Mitchell's employment by NMCDC and supervision by developer-LG, with compensation to the NMCDC of \$5,000.00 per month TIF funding. Clara reviewed resume on file for Ms. Mitchell and noted that a number task Ms. Mitchell performed while employed by LG are the same as some of the proposed expanded/modified scope of work tasks. Clara also reviewed a list of developer activities and noted that there is some overlap of the proposed expanded/modified scope of work tasks and developer activities.

Ms. Harris reviewed resolution submitted by MHA and LG for CRA Board consideration for this meeting, including attached proposed expanded/modified scope of work for neighborhood coordination – coordinate and foster community engagement between public agencies and Uptown community, encourage rehabilitation of residential and non-residential structures, facilitate communication with public agencies to continue redevelopment efforts to remove slum and blight, increase housing opportunities and employment for low and moderate income households, Strengthen Uptown neighborhoods by fostering ongoing operation of community centers and connections to social services, and assist public and private entities and developer-LG with sustainability effort regarding development and rehabilitation projects funded with CRA TIF funds.

Clara presented information submitted by MHA which is a job description of comparable position/compensation [\$50,000-\$60,000/year] for the Soulsville area related to neighborhood coordination and proposed modified scope of work for Uptown

Neighborhood Coordination. She also noted that per MHA Staff the Frayser CDC has engaged a Neighborhood Coordinator but information about that position and compensation was not submitted to Staff.

Ms. Harris directed the Board's attention to material prepared by John Dudas. Clara noted that Mr. Dudas outlines his thoughts on how the duties/modified scope of work for the Neighborhood Coordinator support 4 of 7 goals of the Uptown Plan.

Ms. Harris reviewed a draft/proposed LOA between LG and Promise Development Corporation (PDC) [formerly NMCDC], for Neighborhood Coordination services with the proposed expanded/modified scope of work per the resolution, with LG as supervisor and compensation-pay increase from \$5,000/month to \$5,500.00/month.

Board Member Deborah Massie, Committee Chair stated, the Item was forwarded to the Board without recommendation due to the information presented and the overlap of duties of the Coordinator's position and Developer activities. Board Member Massie stated the Policy/Procedures Committees concerns as:

1. Question of whether Neighborhood Coordination with expanded scope is allowed by CRA Act
2. Out of the (4) Rehab Programs with which the position involves work, only one (1) of the rehab programs is underway -Single Family.
3. Developer's contract ends December 2016.
4. Duties of the Coordinator and Developer overlapped and the Developer is paid a 10% Developer Fee on the monthly compensation for the Neighborhood Coordinator.

John Dudas clarified that the Coordinator's position had expanded beyond the scope of the (4) Rehab Programs, activities have been added and there had not been any increase in compensation since 2010. He also stated that none of the activities that the Coordinator currently does, is that of or the same as the Developer.

Chairman Frick suggested and asked Cheryl Hearn (Legal) if the Board could approve conditional to legal review and approval that Board is authorized to approve the Resolution per the Act. Ms. Hearn agreed that conditional approval would be ok and she would have a legal review and recommendation ready at the next Board Meeting.

Chairman recognized guest invited by Tanja Mitchell and she asked the following individuals in attendance to speak on her behalf and support for approval of the agenda item: Sara Hall, Steve Shular, Steve Barlow, Jordan Thomas, Dwayne Spencer and Andrea Curry.

Board Member Deborah Massie stated that she agreed with the position being vital to the Program(s) and the overall neighborhood but the Resolution is also in regards to the increase in compensation. Board Member Hill added that of concern as well is whether the expanded scope is in compliance with the Act and compensating fairly with the market value of the Coordinator's position – whether the proposed pay increase from \$60,000 per year to \$66,000 per year is market value for the position. Chairman Frick suggested that the matter of the scope of work and pay increase be separated – to make a determination about pay increase after additional information is submitted regarding market value. It noted that while the Board heard those speaking on behalf of Ms. Mitchell and the proposed expanded/modified scope of works, there was no real tangible documentation of the work performed by the Neighborhood Coordinator's position. Tanja Mitchell stated her Joint Agency meetings and other work she does is sent via a group email list in which Clara Harris is included. Tanja added, she would gladly add any and all CRA Board members to the email group if needed to show accountability of the scope of work. Clara Harris confirmed getting the emails from Ms. Mitchell about the Joint Agency Meeting and other emails, but stated she could only facilitate payment for work inclusive of the agreement and approved Resolution for the position. Board Member Langston stated that the Board should be focusing on the current Scope of Work needed to prepare to make an informed decision in regards to now and what happens after 2016, to be fair to the next possible Developer, Partnership and/or Neighborhood Coordinator.

Chairman Frick asked for a motion. Board Member Langston made a motion to approve the Proposed Expanded/Modified Scope of Work with the Condition of Legal Review; and Recommendation of Pay Increase for Promise DC-Neighborhood Coordinator to be determined after receipt of documentation of work performed by Neighborhood Coordinator and market information for position. The motion was seconded by Board Member Martin. The motion passed with a 5 to 1 vote.

Agenda Item IV.
Item Summary:

Committee Recommendation/Resolution & Attachments:

Amendment to CRA Conditions of Funding Affordable Housing – Construction of 10 Houses by NMCDC/Promise Development Corporation (PDC) in the KIPP Area to Exclude Agreement and Requirement of 1 to 1 Matching Funds for 10 Houses; and Allow Use of Allocations of CRA Funds as Needed Per Houses in Two (2) Phases – Three (3) Houses in Phase I which has Matching Funds; and Seven (7) Houses in Phase II Contingent on Obtaining Matching Funds.

Discussion Summary:

Clara Harris explained that the NMCDC/Promise DC was seeking to be exempted from having an agreement in place and non-TIF funding of a 1 to 1 match of 61,300 per house for 10 houses in order to use the TIF funding. She noted the recommendation from the Policy & Procedures Committee was for the CRA to fund the three (3) houses as noted in the budget attached to the resolution for which Promise DC has some non-TIF matching funds and that use of the remaining TIF funds are contingent upon the proof of additional non-TIF funds. Committee Members Massie and Hill added that to help secure funding from the bank(s), CRA is just spending more funds upfront than at the end of the overall development of the (10) homes. But if, no other non-TIF funds were secured by Promise for the completion of the remaining seven (7) houses, CRA funding of the project would end with the three (3) houses which has non-TIF funding.

Chairman Frick asked for a motion. Board Member Massie made a motion to approve Agenda Item IV, to amend CRA conditions of funding Affordable Housing – Construction of 10 Houses by NMCDC/Promise DC in the KIPP Area to exclude requirement of 1 to 1 matching funds for 10 houses and allow use of allocations of TIF funds as needed per houses and shown in budget attachment to in resolution in two (2) phases – Three (3) Houses in Phase I which has non-TIF funds; and Seven (7) Houses in Phase II are contingent on obtaining non-TIF funds. The motion was seconded by Board Member Hill. The motion passed unanimously.

Agenda Item V.

Item Summary:

Developer Fee for Commercial Rehab Grants for Essential Services

Discussion Summary:

Clara Harris briefly reviewed the 1) responses to Staff questions received from the Developer, regarding implementation of the Commercial Rehab Grants for Essential Services, 2) Policy and Procedures for Commercial Rehab Grants for Essential Services and 3) Information provided by Developer as support for a 10% fee for implementation of Commercial Rehab Grants for Essential Services. Ms. Harris noted that there seems to be some

inconsistencies between the documents regarding developer services (LG) and what might be services to be provided by the developer/grocer.

Board Member Massie stated the Item was discussed in Committee meeting but forwarded to the Board without a recommendation due to: the overall Board wanted to know the details, plus considering the grocery store would have a contractor or developer – it was difficult to justify a 10% Developer’s fee.

Chairman Frick asked the Developer if this Item would be better to discuss, once there is a contract from a potential Grocer. John Dudas gave an update on the proposed site. He stated that there was an interest of a lease for most of the space from SuperLo and they are interested in applying for the Rehab Grant.

Chairman Frick asked for a motion to table the Item. Board Member Massie made a motion to table the Item for (Developer’s Fee) until there is a contract for acquisition or lease for the Grocery Store site. The motion was seconded by Board Member Langston. The motion passed unanimously.

Agenda Item VI.

Item Summary:

Discussion Summary:

CRA Audit Report – FY2015

DPD Finance Manager, Mary Lynn Seale reviewed the CRA Audit Report for FY2015 which ended June 30, 2015. She noted currently cash on hand is \$14M. She added the Audit went well, except for one miscalculation from County Trustee of TIF Parcels. She also noted that the only disclosure from the Auditor, since day one, was lack of technical review of projects - no one checking all aspects of the completion of work. But negotiations had been made with MHA to rectify the Technical Review of Projects and should be cleared from the audit next year.

Chairman Frick asked for a motion to accept the Audit Report. Board Member Langston made a motion to accept the CRA Audit Report for FY2015. The motion was seconded by Board Member Massie. The motion passed unanimously.

Agenda Item VII.

Item Summary:

Discussion Summary:

Resolution: CRA Schedule for 2016

Clara Harris briefly pointed out the dates of Board and Committee meetings; and deadlines for materials to be submitted which is generally used to determine if there would be a Board Meeting. Board Member Massie asked if we should be approving a schedule

and if there is any word from EDGE – moving CRA to EDGE. Attorney Hearn stated the EDGE transition has been tabled for now, so it would be fine to move forward with the CRA calendar of meetings.

Chairman Frick asked for a motion. Board Member Massie made a motion to approve the CRA Schedule for 2016 per the resolution. The motion was seconded by Board Member Hill. The motion passed unanimously.

Agenda Item VIII.

Item Summary:

Discussion Summary:

Year End 2015 Report – Uptown Redevelopment Activity
Item was deferred until the next meeting and John Dudas distributed a printed copy to the Board. John added that the Second Street Project is back on track and the work on Bearwater would commence the day of meeting if Staff provides Chair and Secretary will sign the resolution today.

Agenda Item IX.

Item Summary:

Discussion Summary:

Unfinished Business

Greg Webb gave an update on the 2016 Jimmy & Rosalynn Carter Work Project for Bearwater. Greg stated, once he receives the notice to proceed, the Habitat Crew would start. He added the big event is schedule, August 21-27, 2016 with several thousand volunteers scheduled to come to Memphis.

During the 2016 Jimmy & Rosalynn Carter Work Project, Memphis families will be served through multiple projects, including:

- 21 new homes in an area of Uptown Memphis called Bearwater Park, completing Memphis Habitat's new construction commitment to the neighborhood
- 33 beautification projects, including minor repairs, painting and landscaping
- 45 Aging-in-Place projects around Shelby County to enhance accessibility and mobility for low-income seniors

Clara Harris noted that the Highland Row closing has been delayed due to some paperwork not in place. Attorney Hearn stated that paperwork referred to is need for review of a draw request.

Board Member Thomas referred back to Item III regarding proposed scope of work and pay increase for Neighborhood Coordination and asked if the Board would be considering a pay increase without an evaluation of work performance. Board Members agreed that a performance review is needed and

Chairman Frick asked John Dudas to facilitate a work performance review regarding work performed by Ms. Mitchell for the year 2015. Mr. Dudas responded, stating he would facilitate the performance review.

Agenda Item X.

Item Summary: Next Meetings: CRA Committee 2/18/16, Board March 3, 2016—
Material due 2/5/2016
Discussion Summary: None

Agenda Item XI.

Item Summary: Adjournment
Discussion Summary: 10:05 a.m.

Respectfully Submitted By:

Ann W. Langston, Secretary