



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, 4th Floor – Room 477
Thursday, April 7, 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, Assistant City Attorney

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

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

I. Call to Order

The meeting called to order by Vice-Chair, Deborah Massie at 8:38 A.M.

Agenda Item II.

Item Summary: Approval of Minutes – March 3, 2016
Discussion Summary: CRA Board Member Ann Langston made a motion to approve the meeting minutes from the March 3, 2016 CRA Board Meeting. CRA Board Member McKinley Martin seconded the motion. The March 3, 2016 CRA Board Meeting Minutes were unanimously approved by vote voice of the CRA Board Members present.

Agenda Item III.

Item Summary:

CRA Staffing and Support

Discussion Summary:

This item was moved to the end of the agenda – ultimately, not presented/discussed.

Agenda Item IV.

Item Summary:

Committee Recommendation - Resolution & Attachments:
Increasing Funding For The North Of Chelsea (NOC) Bearwater Phase II Infrastructure Project By Reallocating An Additional \$557,891 (for A Total Maximum Budget Of \$1,346,961) From Neighborhood Sustainability (NS) Part 9 – Uptown West Part 2 (\$299,206 from Line Item – Front Street Infrastructure Keel To Henry; and the \$129,794 Contingency Line Item) And (\$128,891 from NS 9) And Transfer to NS Part 14 (NOC – Bearwater Phase II Infrastructure Project) To Fund Additional Infrastructure, Site Prep And Contingency; And Account For A Budget Shortfall Of \$40,000 in A Previous Re-allocation From NS7.

Discussion Summary:

Vice-Chair of CRA Board and Chair of the Policies & Procedures Committee, Massie stated that the Policies and Procedures Committee heard this request and asked why the original project estimate was so low and why there had been several requests for additional funding, and this additional request has come so close on the heels of the last request to re-allocate funds to this project. She further stated although the original estimate was low the Committee and Board was relying on the Master Developer's expertise and experience to provide good project estimates. After hearing some explanation the Policies and Procedures Committee recommended approval of the request for additional funding for the Bearwater Subdivision project because it was critical to complete the project on time for the pending Presidential Build.

Clara Harris went over the various Bearwater Project approvals and explained that the original appropriation of \$413,270 was for a specific list of infrastructure improvements to support the construction of 15 residential, the second approval of \$192,500 was for re-construction of a public alley on the north side of the subdivision, the third approval was additional funds to be able to construct a 30-lot subdivision/infrastructure for the Bearwater Park Subdivision, Phases II & III. Ms. Harris further explained the current request for additional funds/changes to the Bearwater project budget were necessary due to cost overruns and two change orders-one for additional utility costs that would save time, and one to add lime to the soil to reduce the moisture content so the soil could be compacted and work could proceed on schedule. Clara Harris, stated that following the meeting of the P & P Committee meeting, CRA Staff approved the change orders and

expenditure of those funds ahead of CRA Board approval due to the need to keep the project progressing and on schedule. Ms. Harris asked the CRA Board to ratify the CRA Staff approval of the change orders by approving the resolution pending corrections and identification of the source and bottom line of additional funding not identified in the draft resolution.

Bob Guinn, the Developer's Project Manager, provided additional information regarding the change orders and information that the average development price per lot is approximately \$35,000.

CRA Board Members felt the resolution needed to reflect the various changes/history of the project that is consistent with the various approvals for funding.

CRA Board Member Luke Hill confirmed with the Master Developer the request was for 30 lots and covered the complete infrastructure costs. Mr. Hill asked if there is a need for a contingency line item. Alex Mobley stated that the contingency is a precaution taken to be able to meet the target date, should some other unforeseen circumstance come up and eliminate the need to come before the Board in such a case (save time).

Alex Mobley had just returned from vacation and was not prepared to discuss the source of the additional reallocation needed to fund this request. Ms. Mobley felt she needed to confer with Mary Lynn Seale to verify the balance of various funding sources before specifying the source of the additional funds needed.

Board Member Langston made a motion to approve Agenda Item IV, Increasing Funding for The North of Chelsea (NOC) Bearwater Phase II Infrastructure Project by reallocating additional funds as identified in the draft resolution and pending corrections and identification of the source and bottom line figure of additional funding not identified in the draft resolution - Ms. Mobley to confer with Mary Lynn Seale to verify the balance of various funding sources before specifying the source of the additional funds needed. The motion was seconded by CRA Board Member Luke Hill. The motion passed unanimously.

Agenda Item V.

Item Summary:

Performance Review - Proposed Pay Increase for Promise DC-Neighborhood Coordinator

Discussion Summary:

The Board noted that the approval was contingent upon a Performance Review, which had been completed and submitted by Cornelius Sanders (Director, Promise CDC) for the last year.

John Dudas gave an overview of the performance review completed for Tanja Mitchell. Vice-Chair Massie asked Board Members if they had any particular questions concerning the performance review for Ms. Mitchell. Other Board Members had no questions. Vice-Chair Massie asked the period of time for which the work performance review was evaluated, and the percentage split for supervision of Ms. Mitchell between Mr. Dudas and Mr. Sanders. Mr. Dudas responded that the period of the performance review is a one-year period and Ms. Mitchell's supervision is divided and is split approximately 75% by the Uptown Partnerships/Lauderdale-Greenlaw and 25% by Promise DC.

The Board discussed the request for pay increase for the neighborhood coordination activities performed and to be performed by Ms. Mitchell – increase from \$5,000 to \$5,500 per month or \$60,000 to \$66,000 for a year. Board also discussed whether the pay increase should be retroactive to January 1, 2016 or as of whatever date increase approved by the Board. Since there seem to be differing thoughts about the two issues, Vice-Chair directed that separate votes be taken for the two issues.

Board Members referred to and discussed the work indicated in the performance review, the modified scope of work for Neighborhood Coordinator, job description of the Soulsville Neighborhood Director, and information prepared by Mr. Dudas – DOL salary and benefits information and comparison of salaries and benefits between DOL, Soulsville job description and requested pay increase for Ms. Mitchell. Vice-Chair Massie felt the comparison of salary between the Uptown Neighborhood Coordinator and Soulsville Neighborhood Director was not comparable - the Neighborhood Coordination job description lacks clarity in terms of accountability and primarily provides coordination activities; (has no supervision responsibility) while the Soulsville job has supervisory responsibility, task performance benchmarks and measures, analysis & reporting writing functions. Other Board

Members focused on the performance review and information presented by Mr. Dudas. A motion was made by Board Member Langston to approve the requested pay increase for Neighborhood Coordination-Ms. Mitchell from \$5,000 to \$5,500 per month. The motion was seconded by Board Member Hill. The motion passed by unanimous voice vote.

There was additional discussion by the Board Members regarding whether the pay increase should be retroactive to January 1, 2016 or today, the date increase approved by the Board. Vice-Chair Massie stated that since the documents and Performance Review had just been completed justifying the increase, the salary increase should begin at date of Board approval. Board Member Thomas noted that the original request for pay increase was submitted for effective in January, the performance review - with above average rating covers the period of one year, and the performance review categories coincided with many of Neighborhood Coordinator's modified scope of services as reasons the pay increase should be retroactive to January 1, 2016. Board Member Thomas made a motion to approve the pay increase [from \$5,000 to \$5,500 per month] for Promise DC-Neighborhood Coordinator/Tanja Mitchell, effective January 1, 2016. The motion was seconded by Board Member Ann Langston. The motion passed with a 3 (Yes) - 2 (No) vote.

Agenda Item VI.

Item Summary: Resolution & Attachments (LOA-Performance Based): Create NS22-Modified/Expanded Neighborhood Coordination & Re-allocate \$ _____ from NS ___ - _____ to the NS22 to Fund Modified/Expanded Neighborhood Coordination Activities.

Discussion Summary: Clara Harris explained that the modified scope of work for Neighborhood Coordination no longer and appropriate fit under NS8-Rehabilitation of Existing Structure; and there was no funding in NS 8 for either version of Neighborhood Coordination. A new category needs to be established and funded – NS22 –Modified/Expanded Neighborhood Coordination and funds need to be re-allocated to fund the activity in the amount of \$66,000 plus developer fee. Developer needs to identify source of funding for the re-allocation of funds. Ms. Harris also directed the Board to take note of the resolution and attached draft form of LOA for Neighborhood Coordination Services inclusion of information from previous Board action (scope of services) and today's action (section for salary and effective date) and sections regarding other terms.

There was discussion among the CRA Board Members about the contracting parties to the letter agreement. It was concluded the letter agreement should be with Promise DC and not an individual. The letter agreement should add MHA and CRA as acknowledgers and be performance based to include the scope of work with a listing and description of activities. Vice-Chair noted several tweaks for clarity and notes from the previous Board meeting regarding contracts. Attorney Hearn submitted a mark-up of the draft LOA which she reviewed on behalf of CRA. Staff was directed to work with Developer to have comments from Board and Attorney Hearn incorporated into the document.

Board members decided to let Mary Lynn Seale and Luretha Phillips find the source of funding of \$66,000 plus developer fee for NS22-Expanded Neighborhood Coordination Services.

CRA Board Member Ann Langston made a motion to approve agenda Item VI contingent upon Mary Lynn Seale and Luretha Phillips identifying the source of funds. The motion was seconded by Board Member McKinley Martin. The motion passed unanimously.

Agenda Item VII.

Item Summary:

Update & Discussion – Marketing the Initial Three (3) AHDI Houses & Construction of Additional Houses

Discussion Summary:

Alex Mobley stated there is a contract on the Model home (Lot 9, 577 Second Street). The closing is set for May 31, 2016. It is not anticipated that a subsidy will be need since this will be a VA Loan.

A photographer was hired and a brochure is being created to provide to downtown employers by Tanja Mitchell and Pam Beall, the new realtor. Ms. Mobley stated Tennessee law requires the listing agent to be the actual marketer.

Ms. Mobley stated after the model home on Lot 9 closes, there will be a need to move the furniture from one house to another. CRA Board Member Luke Hill noted the houses were not listed on Zillow.

Agenda Item VIII.

Item Summary:

Update – Uptown Redevelopment Activity

Discussion Summary:

John Dudas gave a brief updates of all of the activity that has taken place in Uptown. He noted the interest of Save-A-Lot to occupy only 65% of the former Chism Trail/Kroger building is in process of negotiation and just obtained word the company is agreeable to

lease the entire building and other items of negotiation are still in process.

Elmington Capital made an offer on the property located at Front/Looney/Main for appraised value. Elmington will seek the 4% THDA tax credits rather than the 9% tax credits so this will be a straight sale with milestones attached to the contract.

Lauderdale-Greenlaw, LLC met with KIPP School representatives. The KIPP School representatives loved the proposed redevelopment plans. The Master Developer prepared a letter, but has not received the letter back from the KIPP School representatives.

A grass mowing contract was executed for short term work from March 1 to April 30. A long term contract for the remainder of the 2016 growing season has been executed (for the period from May 1 through October 31).

Agenda Item IX.

Item Summary: Unfinished Business
Discussion Summary: None discussed.

Agenda Item X.

Item Summary: New Business
Discussion Summary: None discussed.

Agenda Item XI.

Item Summary: Next Meetings: CRA Committee 4/21/2016, Board 5/5/2016—
Material due 4/8/2016

Agenda Item XII.

Item Summary: Adjournment: 10:03 A.M.

Respectfully Submitted by:

Ann W. Langston, Secretary