



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
Date: November 3, 2016**

Meeting Attendance

CRA Board Members

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

Legal Staff: None

DPD/CRA Staff: Clara Harris, Principal Planner

Visitors: Steve Barlow, John Dudas, MHA Executive Director-Marcia Lewis, Greg Martin (Conference Call), Tanja Mitchell, Alex Mobley, Greg Perry, Luretha Phillips, Paul Reinke, Marty Regan and Cornelius Sanders

I. Call to Order

By: Vice-Chair, Deborah Massie
Time: 8:30 A.M.

Agenda Item II.

Item Summary: Approval of Minutes – October 6, 2016
Discussion Summary: Board Member Martin made a motion to approve the Minutes – October 6, 2016. The motion was seconded by Board Member Thomas. The motion passed unanimously.

Agenda Item III.

Item Summary: Resolution & Sixth Modification to Redevelopment Agreement for Highland Row Project
Discussion Summary: Paul Reinke gave an update on the progress of the Highland Row Project. He also had Greg Martin on conference call to assist in

the explanation for the request and answer questions regarding the modification, which is a modification of the Agreement for extension of the substantial completion date for the project public improvements. He noted that retail space is 50% leased (Newks is open with another restaurant to open the first week in December; 112 out of 354 apartments are occupied, and 300 parking spaces are open & available. Mr. Reinke noted the remaining work to be done was the installation of the 2nd elevator in the parking garage. The request for an extension is due to the delay with the elevator vendor, Schindler Elevator; another reason is the drive lane adjacent to the garage is not complete because of construction use. Mr. Reinke and Mr. Martin stated that full construction should be completed by May 2017.

Board Member Tyler wanted to know if there was any infringement, especially financially, on the CRA in any way, if the extension is granted. Vice Chair Massie noted none. She added that the challenge was how to define “Substantial Completion” without the 2nd elevator. So, the best recommendation was for an extension.

Board Member Langston made a motion to approve agenda Item III, Resolution & Sixth Modification to Redevelopment Agreement for Highland Row Project to extend the date of substantial completion of the public improvements from November 30, 2016 to May 31, 2017. The motion was seconded by Board Member Tyler. The motion passed unanimously.

Agenda Item IV.

Item Summary:

Discussion Summary:

MHA Proposal for Uptown continuing activities.

Clara Harris introduced the new MHA Executive Director, Mrs. Marcia Lewis to the Board. Mrs. Lewis offered background information about her career path and experience which lead to appointment as MHA Executive Director, current MHA operations, the proposed plan and direction she foresees for MHA with the implementation of new programs and services offered. Mrs. Lewis stated that MHA has been previously utilized “for” redevelopment efforts but has not participated in directly “in” redevelopment activities, though MHA has the capacity for Redevelopment—MHA is a Redevelopment Authority. She wants MHA to broaden the opportunity to be engaged “in” development. Director Lewis offered an outline of the continuation of Development Services for Uptown which could be provided by MHA if needed. The outline of “Development Contingency Services” was presented as follows:

1. Lawn Maintenance Services
2. Property Management Oversight of MLB held lots
3. Support of Strategic Acquisitions

4. Review of Housing Subsidy Requests (outstanding/future)
5. Construction Inspections – Housing & Infrastructure Activities
6. Plans Review
7. Contract Administration (as needed)
8. Assist CRA with other neighborhood redevelopment services

Clara Harris reiterated that the presentation was a proposal provided by Director Lewis, an outline/concept plan of continuing services which could be offered by MHA and more details would be provided at the next Committee meeting. Board Member Tyler asked if the presentation would include the activities/responsibilities that would be released from Belz-Turley/Lauderdale-Greenlaw, LLC and how the remaining resources would be transferred and utilized. Director Lewis stated that per the outline she/MHA Staff could provide additional information/propose funding at the November 17, 2016 Committee meeting. It was noted that MHA has always been the recipient of CRA funds and disbursed to the Developers but so when Developers are no longer in place funds could just go to MHA, acting in the role as the Development entity. Vice-Chair Massie also explained the process of the acquisition of MLB lots. The process would not change, once MHA would take on the activities/responsibilities of the Partnership of Belz-Turley/Greenlaw, LLC.

Marty Regan, Attorney for MLB assured the Board that the great working rapport with MHA will continue, as it has for the past 7 years. He added that MLB was created to support MHA in its work in the community. Vice Chair Massie asked Mr. Regan if he could bring a list of the MLB Board/Staffers or decision-makers to the Committee meeting as well. He said he would do so. Vice Chair Massie thanked Mrs. Lewis for attending and giving her presentation and look forward to seeing the follow-up presentation on Nov. 17th.

Agenda Item V.

Item Summary:

Condemnation Case 183 Chelsea – Motion to deposit with Court an amount Greater than 10% of Market Appraisal. Market Appraisal \$28,000 to the Assessor’s Appraisal of \$78,400.

Discussion Summary:

Clara Harris stated the Policy which was to bring the Items back to the Board for consideration, to determine whether or not to approve funding the greater amount. Vice-Chair Massie stated that the parcel is an eye-sore and the owner is maintaining the site enough not to get any citations from Code Enforcement. The overall goal is to have the area Redeveloped. The MHA Attorney for the condemnation action was present and provided information during CRA Committee meeting and the Committee recommendation is to withdraw the condemnation action for 183 Chelsea and consideration at a later date. Board Member Langston

made a motion that per the Committee recommendation, the CRA would not provide additional funds for purchase of 183 Chelsea, that the condemnation action for 183 Chelsea be withdrawn and reconsidered at a later date. The motion was seconded by Board Member Thomas. The motion passed unanimously.

Agenda Item VI.

Item Summary:

Resolution: Re-allocation of \$8,250.00 from NS8 Single-Family Developer Fee (\$1,500 per home up to 80 homes) to NS8 Single-Family Rehab Program Development.

Discussion Summary:

Clara Harris noted that the next three Agenda Items (VI, VIII and VIII) were just moving one line item to another in order to provide funds to pay for Consultant Fees, Construction and Project Oversight. Vice Chair Massie added that the Committee met and made recommendation to approve.

Board Member Langston made a motion to approve the Re-allocation of \$8,250.00 from NS8 Single-Family Developer Fee (\$1,500 per home up to 80 homes) to NS8 Single-Family Rehab Program Development. The motion was seconded by Board Member Martin. The motion passed unanimously.

Agenda Item VII.

Item Summary:

Resolution: Re-allocation of \$16,500.00 from NS9 Uptown West-Saffarans Avenue Infra. N/S Alley to Front Street) to NS9 Uptown Planning/Design/Consultants.

Vice Chair Massie stated that the Committee met and made recommendation to approve.

Board Member Langston made a motion to approve the Re-allocation of \$16,500.00 from NS9 Uptown West-Saffarans Avenue Infra. N/S Alley to Front Street) to NS9 Uptown Planning/Design/Consultants. The motion was seconded by Board Member Tyler. The motion passed unanimously.

Agenda Item VIII.

Item Summary:

Resolution: Re-allocation of \$16,500.00 from North of Chelsea Initiatives-Burkle (Burkle Land Acquisition) to North of Chelsea Initiatives-Burkle Planning/Design/Consultants.

Vice Chair Massie stated that the Committee met and made recommendation to approve.

Board Member Thomas made a motion to approve the Re-allocation of \$16,500.00 from North of Chelsea Initiatives-Burkle (Burkle Land Acquisition) to North of Chelsea Initiatives-Burkle Planning/Design/Consultants. The motion was seconded by Board Member Langston. The motion passed unanimously.

Agenda Item IX.

Item Summary:

Resolution: Re-allocation of \$335.00 from NS19 Part 2-Infrastructure/Lot Prep to NS16 Property Management. Clara Harris stated that this Item was for the management of MLB Held Properties. Vice Chair Massie stated that the Committee met and made recommendation to approve.

Board Member Martin made a motion to approve the Re-allocation of \$335.00 from NS19 Part 2-Infrastructure/Lot Prep to NS16 Property Management. The motion was seconded by Board Member Thomas. The motion passed unanimously.

Agenda Item X.

Item Summary:

Funding availability for December 31, 2016 completion of three houses by Promise Development Corporation

Discussion Summary:

Clara Harris introduced Cornelius Sanders to explain the funding spread for the three houses and how Promise DC would provide its share of funding for the houses. Ms. Harris provided Board Members with a copy of the spreadsheet and directed Board Members to their meeting package for a copy of funding letter from Mr. Sanders. Mr. Sanders reviewed the spreadsheet which included the funding spread for CRA, CHDO, and Promise; the funds that had been expended for each of the three houses by each group and the remaining commitment for each group.

Mr. Sanders stated to the Board that Promise's balance would be paid from their General Operating Account. And per letter submitted, Promise funds would also be paid from the revenue of rental payments and Developer's fees from other projects.

Vice-Chair Massie stated from the letter, there was no way to see the capacity of how Promise could be able to pay the balance due in 3 months. Board Member Martin, noted there were no figures or detailed outline (bank statement) of what the rental fees were or funds Promise has on hand.

Mr. Sanders noted that there were 41 Affordable Housing units with an average rental fee of \$615. From that revenue, payment is made to two (2) staff members for administrative fees and rehab work.

Board Member Tyler asked why were CRA and CHDO funds disbursed first, and not Promise funds? Mr. Sanders stated their original funding source was through a bank but the organization was misguided in the process. Also, CRA and CHDO funds are being expended first due to deadlines imposed by both, to be used early on and then Promise contributed what funds they had.

