



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: December 15, 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	
Member	John Smith	X	
Member	Floyd Tyler	X	

Legal Staff: Felisa Cox, City of Memphis Attorney

DPD/CRA Staff: Clara Harris, Principal Planner; Verlean Kelly, Landmarks Secretary; and Josh Whitehead, OPD Planning Director.

Visitors: Steve Barlow, Tanja Mitchell, Alex Mobley, Luretha Phillips, Thomas Pacello and Marty Regan.

I. Call to Order

By: Michael Frick

Time: 8:33 A.M.

Agenda Item II.

Item Summary: Approval of Minutes – November 3, 2016

Discussion Summary: Board Member Martin made a motion to approve the minutes of November 3, 2016. The motion was seconded by Board Member Langston. The motion passed unanimously.

Agenda Item III.

Item Summary: Resolution: Re-allocation of \$15,000 from NS14 North of Chelsea (NOC)-KIPP Infrastructure to NS14 NOC-Promise [TM Henderson/7th Street Minor Subdivision Water Meters] (Board Action)

Discussion Summary: Clara Harris noted that the Resolution stated \$16,500 but since

there was no Developer's Fee the amount had been changed to \$15,000.

Board Member Martin made a motion to approve the Resolution: Re-allocation of \$15,000 from NS14 North of Chelsea (NOC)-KIPP Infrastructure to NS14 NOC-Promise [TM Henderson/7th Street Minor Subdivision Water Meters]. The motion was seconded by Board Member Thomas. The motion passed unanimously.

Agenda Item IV.

Item Summary:

Resolution: Re-allocation of \$79,902 from NS9 Front Street [Saffarans to Keel] to NS9 [Front Street & Pumping Station Parking] to Cover Cost Over-run for the Front Street & Pumping Station Parking Project.

Discussion Summary:

Alex Mobley noted the request was due to the expansion of the project (fencing from Saffarans running Northbound) which was not included in the budget of the Pumping Station project.

Board Member Tyler reviewed the numbers from spreadsheet of the total cost of the project. Clara Harris noted that there would be some revisions to the Resolution.

Board Member Martin made a motion to approve the Resolution: Re-allocation of \$79,902 from NS9 Front Street [Saffarans to Keel] to NS9 [Front Street & Pumping Station Parking] to Cover Cost Over-run for the Front Street & Pumping Station Parking Project. The motion was seconded by Board Member Smith. The motion passed unanimously.

Agenda Item V.

Item Summary:

Job Performance Review for Neighborhood Coordinator.

Discussion Summary:

Alex Mobley was not sure if John Dudas had completed the Review and added that he would not be attending this meeting.

Chairman Frick made the Board aware from the last Committee meeting that John Dudas stated the Review would be Satisfactory or better. Board Member Tyler asked if the Review had been completed and no one knew exactly. Chairman Frick stated that John assured the Committee it would be done before the end of the year. Board Member Tyler then asked if the Agenda Item would be moved to January 5, 2017 meeting. Chairman Frick stated it would be. Frick asked Steve Barlow, if John Dudas cannot be in attendance would he be prepared to give the Job Performance Review. Mr. Barlow stated he would if he received the information needed.

Agenda Item VI.

Item Summary:

Resolution: Proposal for Continuing Neighborhood Coordination Services with New Non-Profit Entity [Neighborhood Preservation, Inc.] (Board Action).

Discussion Summary:

Clara Harris and the Board reviewed the proposal documents, resolution and overview of NPI organization. Chairman Frick stated that a change is needed in the resolution that would reflect the amount requested for salary and employer out of pocket cost. Mr. Frick indicated that Steve Barlow [NPI] sent an email that outlined the employer out of pocket cost [\$5,415] to take on the responsibility of overseeing the Neighborhood Coordination Services to be rendered.

Clara Harris noted that the original request was for the employer out of pocket cost, but John Dudas and Tanja Mitchell provided information that the position of the Neighborhood Coordinator is that of an independent contractor, and she [Ms. Mitchell] has been functioning as such. Based on this information the proposal from NPI is now, that it receives a 5% administration fee to supervise/manage the Neighborhood Coordinator until the CRA Executive Director is in place. Ms. Harris reminded those present that the 5% administration fee is the recommendation from the Committee meeting.

Board Member Tyler made a motion to approve the Resolution: Proposal for Continuing Neighborhood Coordination Services with New Non-Profit Entity [Neighborhood Preservation, Inc.] to be funded with \$69, 300 [\$66,000 – Position and 5% Administration Fee/\$3,300]. The motion was seconded by Board Member Langston. The motion passed unanimously.

Agenda Item VII.

Item Summary:

Resolution: Re-allocation of \$70,000 from NS19-Contingency to NS22-Neighborhood Coordination (NC) –Up to an Additional Year for Uptown Neighborhood Coordination Services (Board Action).

Discussion Summary:

Board Member Tyler made a motion to approve the reallocation of funds from NS19-Contingency to NS22-Neighborhood Coordination (NC) for Up to an Additional Year for Uptown Neighborhood Coordination Services in the amount as discussed and approved in the previous resolution: \$69, 300 [\$66,000 – Position and 5% Administration Fee/\$3,300]. The motion was seconded by Board Member Langston. The motion passed unanimously.

Agenda Item VIII.

Item Summary:

Resolution: Proposal for Continuation of Consulting Services for

Discussion Summary: North Second Street Project (Board Action). Clara Harris noted that she had not received a Proposal for review. Chairman Frick mentioned that he would be having a meeting that day with St. Jude and he was going to ask if they (St. Jude) would ask the State (TDOT) to get the project moving forward. Alex Mobley stated that, from the last meeting in which both James Collins and Manny Belen attended, they explained the delay in the project, noting that all documents were being reviewed carefully due to several lawsuits imposed upon Federal Highway Administration (FHWA). Chairman Frick gave a brief update starting from 2001 and noted that the CRA committed \$2M to the North Second Street Project. Chairman Frick suggested that James Collins be invited to attend the next Board meeting and make a presentation of the status of the project and proposal to continue consulting services; and to answer any Board Members questions.

Agenda Item IX.

Item Summary: Resolution: Re-allocation of \$_____ from NS6 North Second Street Project Funds to NS6 Consulting for Continuation of Consulting Services for North Second Street (Board Action).

Discussion Summary: This item was tabled – companion to previous item.

Agenda Item X.

Item Summary: Alternative (s) for Sale of the Third AHDI House/Lot 10 Malone Park; and Construction of Two (2) Additional AHDI Houses on Lots 14 and 12 (Board Action).

Discussion Summary: Alex Mobley explained that the house was listed at \$158K but the appraisal came in at \$138K. She added there was a Market Rate buyer but did not qualify for an AHDI House and was not willing to bridge the \$20K gap based on the appraisal. She noted that during the Committee discussion, it was suggested to re-approach buyer with a reduced price of \$138K and pay 3% down. Alex added the bank had agreed to extend the construction loan (due Jan. 9th) for 6 months (July 9th) which gives time to find an AHDI Qualified Buyer or find a Market Buyer with a down payment of \$15K. Also another appraisal can be done in March 2017. Chairman Frick asked MHA to supervision the construction of the two additional homes after Dec. 31, 2016. He added the final decision of the Committee was not to lower the price but keep it on the market for sale and start the construction of 2 more homes.

Clara Harris stated that this Item should be on the next Board

Meeting agenda due to not having a Resolution and/or revision of the Policies and Procedures to omit having contracts on the 3 homes before starting construction of another one.

The CRA Board understood the Policy of having (3) three homes under construction at the same time with or without a Buyer's Contract. Chairman Frick suggested to Clara Harris to work with MHA and proceed with construction of Lots 12 and 14.

Agenda Item XI.

Item Summary:

Resolution: MHA Proposal for Uptown Continuing Activities (Management and Lot Maintenance of MLB-Uptown Properties; R.O.W. Maintenance; Acquisition Support; Additional Administrative Support; Development Services) (Board Action)

Discussion Summary:

Luretha Phillips (MHA) submitted copies of the MHA Proposal with a budget of \$148K. She reviewed and explained the outline cost of Sub-Components of requested funds. She noted that the fee for managing the AHDI Homes Project was not included in the Proposal, so the budget would need to be revised. Questions were asked by the Board regarding the Legal Fee line item of \$100K. Luretha explained the rate of MHA's outside Legal Contractors and form past fees, the figure was just a budget up to \$100K, not the actual amount paid. Board Member Tyler asked if MHA could come back in January with a revised Proposal with all the fees and costs for approval. Luretha Phillips agreed.

Agenda Item XII.

Item Summary:

Disposition of MLB-Uptown, LLC Held Lots [Chelsea & Second] to Ave Maria (Board Action)

Discussion Summary:

Clara Harris stated that she did not get a proposal and resolution for the Disposition of MLB-Uptown, LLC Held Lots. Chairman Frick asked Mr. Marty Regan to give an update.

Mr. Regan stated that the lots were available with no real intended use. He noted that he spoke with Ave Maria regarding re-locating from their outdated current facility to building a more updated 58 bed facility to adhere to the needs of their patients/clients. He added the proposed site does have Environmental issues that have not been dealt with and not really sure of the severity nor exactly what needs to be done to make the lot environmentally safe. He stated that he would like approval from the Board for the transfer of the lots to Ave Maria. Clara Harris stated there was not a Resolution available. She added also, there are Policy and Procedures in place for transferring properties to Nonprofits to assure the Disposition is in compliance.

Board Member Tyler suggested that whatever the Policy and Procedures are, the Board should uphold the full process and not vote on an Item (without an application or Resolution) because it's on the Agenda. Luretha Phillips added that she would like to know if MHA should prepare a Resolution as MHA being the applicant or one on behalf of MLB as the applicant. Clara Harris stated that since roles are changing, MHA would need to assist and be the applicant. Also, Chairman Frick asked Clara to circulate the Policy and Procedures to the Board and any documents needed to MLB/Marty Regan for submittal.

Agenda Item XIII.

Item Summary:

Discussion Summary:

Interview Committee for CRA Executive Director

Chairman Frick stated that process is still a work in progress and there's not any significant update to report. Board Member Tyler asked if the screening process discussed at the last meeting, if so, what was discussed. Tommy Pacello explained the Interview process the Committee was engaged in selecting the finalists. Chairman Frick stated the he was involved in the job description and felt he kept the Board informed.

Board Member Tyler stated if CRA Board is its own entity, why wasn't Board Members engaged with the initial process (determining job description and screening) and more active in determining who's going to lead in the role as Executive Director, instead of HCD, DPD or Mr. Pacello. He added that the Board only heard about the job description the day it was posted publicly and it closed 2 weeks afterwards. Chairman Frick asked if there was something wrong with the job description. Board Member Tyler stated, it does not reflect much vision in allowing the CRA to reach its full potential. He added the bigger concern was why the CRA Board is not leading in the selection of the Executive Director. Receiving "after the fact" emails, he felt was not CRA Board's participation. He also added that he asked Chairman what was the screening process and Chairman replied, he didn't know. Board Member Tyler didn't understand the response, hearing that Chairman Frick was well informed even at the infancy of assisting in the writing of the job description. Tyler ended with addressing the Board about being more engaged and involved.

Chairman Frick explained the process (along with the involvement and approval of both Co./City Mayors) that had taken place to get to the point of selection. Since nothing progressively had happened, he would hopefully give an update at the next meeting.

Agenda Item XIV.

Item Summary:

Resolution: CRA Schedule for 2017 (Board Action)

Discussion Summary:

Clara Harris stated the schedule and process for deadline submittal and meetings (Board Meetings, 1st Thursday of the month and Committee meetings, 3rd Thursday of the month and the submission of Application/Documents/Items, 1st Friday of each month).

Board Member Smith made a motion to approve the Resolution: CRA Schedule for 2017. The motion was seconded by Board Member Tyler. The motion passed unanimously.

Agenda Item XV.

Item Summary:

Unfinished Business: Updates - MLB Sharing Net Proceeds of Properties Sold or Leased With CRA; Report on MBE/WBE Participation in Uptown Redevelopment Activity

Discussion Summary:

Clara Harris stated why the item was on the Agenda and asked if Mr. Regan could give an update. Chairman Frick stated that he asked for a Staff's recommendation on this item at last meeting. Clara stated that she was not aware of staff making a recommendation, only for Mr. Regan to present a proposal for approval.

Chairman Frick suggested tabling the Item until he speaks with OPD Planning Director, Josh Whitehead and OPD Director, Rick Copeland. Clara Harris stated that conversation had already happened and ended with needing a Legal opinion.

City Atty. Felisa Cox stated that prior to making any final decisions, she would need to know the inquiries, concerns and the charge of the Board. If question being, if CRA could share proceeds with MLB, Atty. Cox found an opinion from a previous Board Council. She added that recently, she found out that wasn't the question at hand. Since the exact question or issue is not clear, she stated she could not offer an affirmative opinion at this time.

Chairman Frick suggested that staff, Atty. Cox and Marty Regan meet, get the exact issue and facts needed and make a recommendation to the Board.

Agenda Item XVI.

Item Summary:

New Business:

Discussion Summary:

None discussed.

Agenda Item XVII.

Item Summary:

Next CRA Board Meeting January 5, 2017

Discussion Summary: No discussion.

Agenda Item XVIII.

Item Summary: Adjournment

Discussion Summary: Adjournment: 9:45 A.M.

Respectfully Submitted by:

Ann W. Langston, Secretary