

COMMUNITY REDEVELOPMENT AGENCY MEETING



City of Memphis and Shelby County Redevelopment Agency
City Hall, 125 N. Main Street, Room 477
Memphis, TN 38103
Thursday, January 4, 2018
8:30 a.m.

Present: Chairman McKinley Martin, Jr.
Vice Chairman R. Miles Mason, Sr.
Treasurer Dynisha Woods
Member Sam Cantor
Member Floyd Tyler

Absent: Secretary Ann W. Langston
Member Kevin Spragling

Also Present: Andrew Murray, PGAV Planners, Interim Executive Director
Felisa Cox, City of Memphis, Senior Attorney
Clara Harris, Principal Planner, Department of Planning, City of Memphis
Ida M. Bounds, Executive Assistant, Community Redevelopment Agency
Tanja Mitchell, Neighborhood Coordinator, Community Redevelopment Agency

Via Conference Call: Monice Hagler, Counsel for Community Redevelopment Agency
Rick Miller, Bond Counsel for Community Redevelopment Agency
Greg Martin, Milhaus Development

Visitor: Paul Reinke, Poag Shopping Centers

I. Chairman McKinley Martin called the meeting to order at 8:40 a.m. and a quorum was present.

II. MINUTES – DECEMBER 7, 2017

Chairman Martin called for consideration of the Board minutes from December 7, 2017. There was no discussion. Upon a motion made by Board Member Floyd Tyler and seconded by Board Member Dynisha Woods, the minutes were approved.

III. PUBLIC COMMENTS

There were no citizens' comments.

IV. CRA 2017 AUDIT

Mr. Mike Broy, from MHM LLP, presented the Board with the CRA 2017 Independent Auditor's Report. He explained they had audited the financial statements of Memphis and Shelby County Community Redevelopment Agency for the year ended June 30, 2017, and the report was issued on December 20, 2017. Mr. Broy provided a letter and explained that audit standards require them to communicate certain information to the Board about the audit. He also explained professional standards require them to summarize their findings in a letter. He discussed the audit findings letter in detail. It was reported that the audit was substantially complete and that no material weaknesses had been identified. He also reported they encountered no difficulty in performing the audit, there were no disagreements with management, and they had provided to management a representation letter at the end of the audit.

Mr. Jason Pittman, Audit Manager, provided an overview of the information contained in the report. He reported the financial disclosures from the independent auditor are neutral, consistent, and clear. He stated the management analysis was prepared by Mary Lynn Seale and she provided the statement of activities which covered a review of the internal audit work that had been carried out during the year. Board Member Floyd Tyler moved to accept the 2017 Audit as written, second by Board Member Dynisha Woods. All Board members voted to approve the 2017 Audit as written. (5-0)

V. HIGHLAND ROW – PROJECT UPDATE & INFORMATION REGARDING NOTE TRANSFER

Paul Reinke representing Poag Shopping Centers gave a brief update on the Highland Row project. He reported all of the construction work on the project is complete and they have a final Certificate of Occupancy. He also reported that retail is taking shape. Board Member Floyd Tyler asked if they had provided all of the MWBEs participation data that was previously requested in a format that the Board could understand. Mr. Reinke will provide Poag & McEwen MWBEs participation data to Greg Martin of Milhaus Development. Mr. Martin reported that they only kept data on the dollar amounts awarded to M/WBEs, but did not keep percentages. He will provide a combined report that includes percentages at the next board meeting.

Greg Martin reported the Highland Row Project Note was sold to Preston Hollow Capital. Wally Duke reported Regions Bank serves as paying agent and registrar and the Notes were privately placed with Highland Row, LLC., and they had sold the Note to Preston Hollow Capital, LLC. He also reported the Noteholder had surrendered Note R-1 and provided the proper documentation including an Assignment and Transfer Form with Signature Guarantee Medallion Stamp and an Authorized Resolution of Incumbency. He then reported the New Noteholder, Preston Hollow Capital, LLC has filed with the registrar and ITS Form W-9 and an Investment Letter certifying that they are a "qualified institutional buyer" (QIB) as defined in Rule 144A of the Securities Act of 1933, as amended (the "Securities Act") or an "accredited investor" within the meaning of

Regulation D promulgated under Section 4(2) of the Securities Act. He reported in order to complete the transfer of the Note to the new Noteholder the registrar needs a new Note executed by the Chairman and attested by the Secretary of the CRA. He also reported all of the documents are in compliance with the transfer of the issuance of the documents. Bond Counsel Rick Miller concurred. Chairman reported this is for informational purposes only as there was a previous Resolution that was approved. No board action was taken.

VI. PRESENTATION: UPDATE ON CRA/HABITAT PARTNERSHIP – ACTIVITIES IN UPTOWN REDEVELOPMENT AREA

Dwayne Spencer made a presentation and gave a brief overview about the work of Habitat for Humanity. He then reported in 2011, Habitat launched a neighborhood revitalization Initiative and Uptown was targeted as the first neighborhood and in 2015, launching an Aging in Place Program which targeted seniors and to date have 350 plus projects completed. He explained that in 2011, Habitat was selected as Uptown rehab consultant for CRA-funded single family, historical, and commercial properties and in 2012, CRA accepted Habitat’s \$5,880,000 Public-Private Partnership challenge -the original goal being the construction of 50 new homes on vacant lots and provide 100 single family home repairs.

Mr. Spencer reported Habitat partnered with Wells Fargo to create The Neighborhood LIFT program to support sustainable homeownership and advance neighborhood stability, and also partnered with Lowe to create Rock the Block program to improve neighborhood blocks. He also reported the Jimmy & Rosalynn Carter Work Project was held in Memphis and through partnerships had investments of \$3.9 Million and hundreds of international donor volunteered and have completed 99 total projects in which 21 new homes was built in Bearwater Park, 45 Aging in Place Projects (county-wide), and 33 beautification projects of which 13 were near Bearwater Park. He further reported Habitat has a combined investment of \$8,703,291 of which \$3,287,182 came from CRA for a total of 185 projects. He stated they would like to continue the partnership with CRA in Uptown.

Mr. Spencer introduced Greg Webb and he made a presentation and noted Habitat would like to do more projects in Uptown. He stated that they had done fifty (50) homes in a year and have developed a similar 5-year plan and hopes to partner with CRA and keep the focus in Uptown. He emphasized that he hopes to partner with CRA on new construction of fifty (50) homes.

VII. EXTENSION OF INTERIM SERVICES PLAN/ADMINISTRATIVE SUPPORT AGREEMENT WITH MEMPHIS HOUSING AUTHORITY

Clara Harris reported that the proposed resolution is to extend or continue the interim services plan, coordination and administrative support by Memphis Housing Authority (MHA). She also stated that there had been several discussions at committee, board and agency coordination meetings for administration and oversight support for projects and activities. She then reported the contract ends December 31, 2018, and the budget would remain the same and no additional funding would be required. She explained a Contingency Line had been created, as part of the budget to use the balance of funds for the services in 2018, to include payments of court deposits, closing fees, associated legal transaction costs for condemnations activities and any miscellaneous legal services. She explained the major change in

the contract is the December 2017 transition of the maintenance of the MLB lots, maintenance of the Right-of-Way and the landscaping contract to the CRA staff. She further reported that MHA will continue to support the CRA Single Family Rehab Program projects with inspections and would provide other programs and services requested by CRA on an as-needed basis. Board Member Floyd Tyler moved to continue the Interim Services Plan and extend the Administrative Support Agreement with Memphis Housing Authority (MHA). Board Member Sam Cantor seconded the motion. All Board members voted in favor of the motion (5-0).

VIII. REPORT FROM HIRING COMMITTEE

Chairman Martin welcomed Tanja Mitchell to the CRA team as the Neighborhood Coordinator. He also reported that the Hiring Committee had interviewed finalists for the Executive Director position with an anticipated hire date of sometime in March or April of this year. He also reported that the Hiring Committee would provide a recommendation to the Board no later than March or April of this year. He further reported that the financial analyst, construction manager, and a planner positions would be posted this month. No board action was taken.

IX. PGAV UPDATE ON CRA EXECUTIVE DIRECTOR STAFF SERVICES

Andrew Murray reported that he has drafted the Uptown Advisory Committee application and he would distribute it to the Policies and Procedures Committee for review and once approved it would be distributed to the community. He also reported he is working on job descriptions and the posting of the financial analyst, construction manager, and a planner positions referenced by Chairman Martin in the Hiring Committee report. He then reported that he and Ms. Mitchell will be working on an Uptown survey, advertise the plan and advertise the opportunity for the Single-Family Rehab Program. He further reported he had drafted the lawn mowing service contract and the Right-of-Way RFP and is coordinating with his team to get those distributed.

Mr. Murray explained seven proposals had been received from the Construction Management Services RFP and the team selection committee is in the processing of reviewing proposals. He also explained that he is hoping that interviews can be conducted within the next two weeks with the team or teams that are considered to be the finalists.

Mr. Murray reported Attorney Monice Hagler is working on a Memorandum of Understanding (MOU) letter with Binghampton and the Trustee's Office on what the relationship would be with those entities. He reported the Uptown Community Plan RFP was distributed and he has received a number of questions from potential bidders and would be compiling those questions and preparing an addendum by January 5, 2018.

Mr. Murray reported he had spoken with Steve Barlow, Neighborhood Preservation, Inc. (NPI) and he has agreed to perform the existing conditions work for \$5,000. He explained that he did not prepare a Resolution, but recommends that the CRA contract with NPI to perform that work this month and that it would be more cost-effective than using PGAV. Chairman Martin reported NPI had already done an analysis of some areas as part of the application that ALSAC/St. Jude and Methodist LeBonheur submitted. It was discussed that the work is needed in order to get everything ready so when the planning services contract is awarded February 1, 2018, the process could start. Chairman Martin asked for a motion to allow the CRA to hire NPI without a resolution to perform the existing conditions work. Board Member Sam Cantor moved to have Mr. Murray hire NPI

without a resolution; Board Member Floyd Tyler seconded the motion. The vote was unanimous to allow the CRA to hire NPI and prepare a resolution for signature at the February 1, 2018, Board meeting, but that the CRA can go ahead and contract with NPI for the services.

X. UNFINISHED BUSINESS

None came before the Board.

XI. NEW BUSINESS

Clara Harris reported that Board Member Floyd Tyler had completed Ethics Training for the County Appointees to the Board. Ms. Harris spoke to an Ethics Office for the City to arrange for similar training for City's Appointee. She recommended that the training be after one of the Board or Committee meetings.

Andrew Murray proposed February 2 or 9, 2018 for Board Training and Vision Retreat.

Chairman Martin reported that Board Members will take pictures following the March 1, 2018, Board meeting so that the website can be updated to reflect the new members that were appointed.

XII. ADJOURNMENT

There being no additional business, the meeting was adjourned at 10:40 a.m. The Policies and Procedures Committee will meet Thursday, January 18, 2018 and the next CRA Board Meeting will be Thursday, February 1, 2018.

Respectfully submitted:

Ann W. Langston