

Acquisition, Renovation and Development Committee Meeting
August 15, 2012

AGENDA

1. Call to Order
2. Approval of Minutes – May23, 2012
3. Choice Neighborhoods
 - a. Presentation of site plans and drawings of Hillcrest for the Choice Neighborhoods application
- Chuck Billand and Dennis Madsen
 - b. Making Application competitive
 - i. Meeting with City Council
 - ii. Development of frontage on Dawson Street
 - c. Acquisition Plan
4. Eastbrook Redevelopment
 - a. Debt Satisfaction
 - b. Sources
 - c. TDC Analysis
5. Dawson Street Development Solomon Towers
 - a. Sources
 - b. Rental Assistance Demonstration
 - c. Drawings
6. Creekwood South
 - a. Construction Progress
 - b. Relocation Update
 - c. Procurement of Co-Developer
7. Solomon Towers
 - a. Construction Update
 - b. Common Area Renovations
8. Rankin Terrace/Elderhaus
9. Winfield Smith
10. Any other business to come before the committee
11. Adjournment

**ACQUISITION, RENOVATION AND DEVELOPMENT
COMMITTEE MEETING**

OF THE HOUSING AUTHORITY OF THE CITY
OF WILMINGTON, NORTH CAROLINA

May 23, 2012

The regular monthly meeting of the Acquisition, Renovation and Development Committee was held on Wednesday, May 23, 2012 at 4:00 p.m. at the Wilmington Housing Authority, 1524 South 16th Street, Wilmington, North Carolina.

Committee Members Present: Arcelia Wicker, Sr., Commissioner and Chair
L.S. "Bo" Dean, Jr., Commissioner
Greg Neel, Commissioner
Jeff Hovis, Commissioner
Stuart Franck, Commissioner
Glenn Floyd, Director of HEO
Michelle Kerwin, Director of Finance

Committee Members Absent: Debra H. Hays, Commissioner

Others Present: Michael Krause, Esq., Chief Executive Officer
Sara Davis, Executive Assistant
Paul D'Angelo

Call to Order

The meeting of the Acquisition, Renovation, and Development Committee, "ARD" was called to order by the Chair at 4:02 p.m. on May 23, 2012, pursuant to the Notice sent to the Commissioners and Staff of Wilmington Housing Authority.

Minutes

Minutes of the April 15, 2012 ARD Committee meeting were reviewed, Commissioner Dean made the motion to approve and Commissioner Wicker seconded. Minutes were unanimously approved.

Eastbrook

Mr. Krause spoke to the Committee about the Wachovia fees. He informed the Committee that he has been calling and not getting a return call. He feels it may be necessary to go through their attorney. Mr. Krause told the Committee about Commissioner Sutton's prior phone call regarding a party interested in purchasing Eastbrook. Mr. Krause stated any offer that is put in is always considered, however, he would only carry offers to the committee that are reasonable. He explained the fees will be paid off as soon as he hears back from Wachovia.

Mr. Krause also informed them the plan is to move forward with the architect to begin the redesign on the rehab project. Commissioner Dean questioned how many units this would include and Mr. Krause stated Eastbrook would have 32 units.

The Committee discussed the land size and the number of units that would be appropriate. Mr. Floyd affirmed the fact that only 32 units would fit. The Committee discussed the ability to actually rehab the units. The concern being, in the past the Committee had been told that due to the environment of the area, there was no possible way to rehab and sustain them. Mr. Krause assured the Committee that the units would be taken down in a full gut rehab and that mold and moisture would not be a problem with the scope of work being done. Mr. Floyd assured the Committee that anything that is badly affected by moisture would be replaced; but there is no doubt a full gut rehab can be accomplished and sustained.

Commissioner Hovis questioned the number of units and specifically asked what the number of one bedroom could be built if the complex was completely bulldozed. Mr. Krause explained that while more units could go in there the total development costs to do new construction would be too high and would not work for HUD. Mr. Krause offered to do the TDC calculations and present a report for the Committee.

Commissioner Hovis inquired about the time frame. Mr. Floyd reported from start to finish should be 6 to 8 months, once remediation is complete.

Mr. Krause talked about the architect, stating they were a company from Atlanta that did some rehab work at UNCW. Commissioner Neel suggested having an environmental company come out and run a quick test of the area to assure there is not mold present. Mr. Floyd informed the Committee that one will come out and do a test before demolition and after demolition.

Commissioner Wicker requested more information on Eastbrook be given in the June meeting. Mr. Krause agreed and stated the TDC Calculations would be sent out to the Committee members by next week.

Creekwood Construction/ Relocation

Mr. Krause informed the Committee that he invited Paul D'Angelo to the meeting to discuss the relocation efforts. Mr. Krause spoke about a resident that is pushing all the time limits on relocating. Mr. Krause deferred to Paul D'Angelo for a report on Creekwood relocation.

Mr. D'Angelo informed the Committee that there are only 3 people left to be relocated. And of those three, one is just opposing the relocation, one resident is getting evicted, and another one is just waiting for their section 8 paperwork to be complete.

Mr. Krause spoke to the Committee on the construction at Creekwood. He stated that everyone is pleased with the work by Central Builders and the residents that are returning to their units are very pleased with the outcome. He informed the Committee that there are 6 units available and the residents are getting tax credit certified in order to move in. He claimed the units would be occupied within the week.

Commissioner Dean inquired if all residents are coming back after being relocated. Mr. Krause explained that some residents choose section 8 vouchers or have chosen to go to other properties. He assured the Committee they are having no problem filling empty units with new families. Mr. Krause told the Committee of plans on remodeling the Community Center. He would like to add laundry facilities where the Manager's office is located. He discussed with the Committee that he would like to take the building where the Resident Council meets and to turn into a 5 bedroom unit for a large family. The Committee agreed that they would rather see a family's needs met then used for a resident council meeting place. Mr. Krause made it clear that a space would have to be found that could meet the resident council's needs.

Mr. Wicker inquired if landscaping was included in the construction for Creekwood. Mr. Krause stated that landscaping was not included due to the Housing Finance Agency would not allow it. Mr. Floyd assured the Committee that final grade and reseed would be done. Mr. Krause told the Committee that eventually it will fall under the Capital Budget. Commissioner Dean inquired if a WHA had ever gotten a grant from any of the garden clubs. He suggested looking into Cape Fear Garden Club; they may be interested in donating the funds to plant bushes.

Choice Neighborhood Planning Grant

Mr. Krause spoke about Pine Ridge and the difficulty many are having moving passed the City Council's decision. He shared with the Committee that many are looking to him to direct retaliation on those involved in the decision. The Committee discussed doing such would not serve in the best interest of WHA and feel it is best to put it in the past and move forward.

Commissioner Dean stated that everyone he has spoken too said that when they watched it from their homes they were "blown away" by the presentation Mr. Krause gave to City Council that night. The Committee all agreed that with all the work that was done it was an impressive presentation.

Mr. Wicker asked the Committee what could be taken away from this that could help in future endeavors. The Committee generally agreed that on our end we need to go after land that doesn't need such rezoning. Mr. Krause believes that he underestimated the people's dislike for affordable housing in that area. He also stated he relied on some people's input that he shouldn't have. Commissioner Dean suggested getting a feel for the area and the like or dislike that would be present.

Mr. Krause deferred to Paul D'Angelo to provide the Committee with the explanation as to why points will be lost on the Choice Neighborhood Planning Grant. He explained that 3 points will be lost because at the time the application is submitted there is not a low income tax credit property in the works.

Mr. Krause went on to explain how this decision affected the Hillcrest site directly. With this failed project, Hillcrest will become denser due to the lack of acreage and the inability to put the seniors over at the new Pine Ridge facility. He went on to assure the Committee that staff is

working on the best ways to build a higher density property. Mr. Krause explained none of the vacant lots are large enough to support anything but single family homes. And while there will be some of those built it is not cost or maintenance effective and will be limited.

The Committee discussed their frustration at the lack of help from the city in regards to these projects. It was decided to ask City Council to have a meeting with WHA Board of Commissioners on how to best go forth and develop a working relationship in regards to Choice Neighborhoods.

Mr. Krause talked to the Committee about a few issues at the properties; Solomon Towers air conditioning is out on the first floor, Rankin Terrace tax credit application is being submitted in the next week, Axiom architecture has been chosen to redo the fire units at Glover Plaza.

With nothing further to discuss the Committee adjourned.