ACQUISITION, RENOVATION AND DEVELOPMENT
COMMITTEE MEETING
OF THE HOUSING AUTHORITY OF THE CITY
OF WILMINGTON, NORTH CAROLNIA
June 19, 2013

The regular monthly meeting of the Acquisition, Renovation and Development Committee was held on Wednesday, June 19, 2013 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
Stuart Franck, Commissioner
Helayne Levy, Commissioner
Jeffrey G. Hovis, Commissioner
Glenn Floyd, Director of HEO
Michelle Kerwin, Director of Finance

Committee Members Absent: Debra H. Hays, Commissioner
Greg Neel, Commissioner

Others Present: Michael Krause, Chief Executive Officer
Sara Davis, Executive Assistant
Chad Rivers, Director of Operations

1. Call to Order

The meeting of the Acquisition, Renovation, and Development Committee, "ARD" was called to order by the Chair at 4:00 p.m. on June 19, 2013, pursuant to the Notice sent to the Commissioners and Staff of Wilmington Housing Authority.

2. Approval of Minutes

There were no minutes to approve.

3. Choice Neighborhoods

Mr. Krause informed the Committee that the Choice Neighborhoods Grant Application was released and is due September 10. He stated that staff is working closely with Sarah Molseed on the best way to work on the application. He said on the advice of Ms. Molseed a consultant, with EJP, will be doing a site visit to help assess where we stand in the application and whether we have a competitive application. Mr. Krause said the dates of the meeting are June 2nd and 3rd.

Commissioner Wicker asked what the outcome is that will determine whether we have a chance and Mr. Krause stated that it would be based more on the scoring and if we can score high enough to be a competitive application.

Commissioner Wicker asked if we have a contract with EJP and Mr. Krause said that it would be handled through our Co-Developer.

Commissioner Wicker asked, regarding the Transformation Plan, what the process is from here. Mr. Krause stated that the Plan was submitted to HUD and HUD recommended some changes. With the changes made it was resubmitted to HUD and once it is accepted HUD will release the remaining $40,000. Commissioner Wicker asked when the Plan would be presented to the public and Mr. Krause said that would happen sometime in July.

Commissioner Dean pointed out that it might be wise to not promote the plan too much until we are certain WHA is awarded the grant.

Mr. Krause said he feels we have a responsibility to do a project the community wants and embraces but feels the process has drawn out so long that the community has lost some interest. He said there is still approximately 60 surveys left to get and believes we have an obligation to hear from as many in the community as possible.

Commissioner Franck asked if there are not certain guidelines and Mr. Krause explained the Transformation Plan is scripted to maximize the scoring we get on the application.

Mr. Krause told the Committee that one staff person will be going to the Choice Neighborhoods meeting in Washington next week along with our developer and a city official.

Commissioner Wicker talked about community buy in and Mr. Krause agreed and said that he will be having individual meetings to present the Transformation Plan to the community partners.

Mr. Krause explained that the consultant will be logistics person that will help us prioritize and strategize the list of what needs to be done.

4. RAD

Mr. Krause reported we are waiting on the rent determination from HUD. He said, while Ms. Molseed believes HUD will give us a waiver, he believes we should develop a new strategy and move forward. Mr. Krause explained the initial plan was too tear down the Annex, primarily one bedroom units, and replace them with 2 bedroom units on Dawson St. He stated that HUD wants the units on Dawson to be 1 bedroom which will not work from a financing or cash flow perspective. Mr. Krause stated that there are a few options:

- HUD can give us a waiver allowing us to build the two bedroom units.
- Look elsewhere on Hillcrest and find 40 two bedroom units and replace those units with two bedroom units on Dawson Street. This would allow us to move the people from the Annex into the empty units on Hillcrest and still tear down the Annex.
- HUD can approve the rents we are requesting.

Mr. Krause showed the Committee the rough plans for the 40 units on Dawson Street and Glenn Floyd went over the plans with the Committee.

Commissioner Dean asked if the city will allow the area facing Dawson to be fenced and Mr. Floyd stated that he would guess that since it is a right away they city won't allow it. Mr. Floyd said that the closest it will be to the road is 20 ft. with grass between the building and the road.

Commissioner Dean expressed his concern about the traffic on Dawson and problems that it could cause.

Glenn Floyd pointed out while the front of the building will face Dawson St. the buildings access will actually be from the back.

Commissioner Dean asked what the timeline was and Mr. Krause stated that HUD has to approve, then 6-9 months to come to closing, and approximately 8 months to build.

5. Eastbrook

Mr. Krause stated the bid closing for the General Contractor is Tuesday of next week.

Mr. Floyd reported that there is a lot of interest in the project and demo work is completed. He reported nothing was found that would indicate there are structure deficiencies. All units have been sprayed to rid the wood of any mold.

Mr. Krause stated that this would be reported to the public so that there is no backlash from the knowledge of mold in the past.

Commissioner Wicker asked for a heads up before the Board meeting on this resolution.

6. SHDP1

Mr. Floyd reported that the storm water permit is delayed due to the permit being in the name of the Housing Authority when it should be in the name of New Dawson Limited Partners since the land was sold in 2002.

7. Project Matrix

Mr. Floyd reported on the following:

- Hallway improvements at Solomon Towers are still underway.
- New Flooring is being installed in the TV and computer rooms at Solomon Towers.
- Third Capital Contribution on Creekwood South was received.
- Eastbrook renovations bids are due June 25.

8. Resolutions

Mr. Krause briefed the Committee on the following resolutions.

- Elevator contract for Solomon Towers, he explained the elevator has been down and the resolution is needed to continue the maintenance.
- HVAC replacement approval and lawn care services for all sites.

Chad Rivers reported there will be a resolution for the changes made to our housekeeping policies.

Commissioner Dean asked if this is a new contractor for our HVAC contract and Chad Rivers said it was and Four Star was the company awarded.

Commissioner Wicker asked if the cost and energy use of our HVAC units was efficient and Mr. Rivers stated relatively speaking it is. Mr. Krause reminded the Committee that we have a utility allowance that we pay a certain amount and the resident has to pay the rest.

9. Winfield Smith

Mr. Krause stated there is nothing to update.

Commissioner Wicker asked if payments were still being made and Mr. Krause said that we are making interest only payments.

10. Other Business

Mr. Krause talked to the Committee regarding the criminal activity on our developments. He mentioned Creekwood and that it is getting as bad as it once was. He does not feel it is the resident's but outsiders coming into the neighborhood. He told the Committee that 2 major gang leaders have recently been released from prison and feels this is one of the causes of the sudden increase. He reported Hillcrest is becoming more like Houston Moore.

Mr. Krause deferred to Chad Rivers to report on the meeting he had with the police.

Mr. Rivers stated the cameras were discussed and the fact that there are some areas where the cameras are not working as well as they should. He stated the police talked about various measures that can be taken to help with the criminal activity, some of those were:

- Pole cameras that are mobile and can be moved from different locations on the sites.
- Signage that said "no trespassing" and "private property" which would give the police more ability to enforce the rules.
- Policy requiring a permit if a resident will be having more than a designated amount of guests.
- Curfew put in effect for common areas.

Commissioner Dean suggested contacting Chris Blake at Community Solutions Southeast regarding permits on number of guests visiting.

Commissioner Wicker stated he feels that policies and rules are ways that WHA can help with the problem but feels the overall control is with the police department.

Mr. Krause told the Committee about a news story on WWAY regarding a tree that had fallen on Vesta Village. He stated that while there were some procurement issues it should have been handled quicker than it was. Mr. Krause talked about the basketball goal that was mentioned in the story and stated it was a definite safety issue.

11. Adjournment

A motion made by Commissioner Franck and seconded by Commissioner Dean to adjourn the meeting carried unanimously