ACQUISITION, RENOVATION AND DEVELOPMENT
COMMITTEE MEETING
OF THE HOUSING AUTHORITY OF THE CITY
OF WILMINGTON, NORTH CAROLNIA
September 18, 2013

The regular monthly meeting of the Acquisition, Renovation and Development Committee was held on Wednesday, September 18, 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
Greg Neel, Commissioner
L.S. "Bo" Dean Jr., Commissioner
Debra H. Hays, Commissioner
Jeffrey G. Hovis, Commissioner
Glenn Floyd, Director of HEO
Michelle Kerwin, Director of Finance

Committee Members Absent: Helayne Levy, Commissioner
Stuart Franck, Commissioner

Others Present: Alfredia McDonald, Commissioner
Vernice Hamilton, Interim CEO
Rhonda Mack, Director of HCV
Chad Rivers, Director of Operations
Karen Schraml, HEO Coordinator

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 September 18, 2013, pursuant to the Notice sent to the Commissioners and Staff of Wilmington Housing Authority.

2. Approval of Minutes

Minutes of the August 21, 2013 ARD committee meeting were reviewed, Commissioner Neel made the motion to approve and Commissioner Hovis seconded. Minutes were unanimously approved.

3. Choice Neighborhoods

Rhonda Mack stated the committee to select the RFP for the Choice Neighborhoods Consultant will meet Monday. She said once the consultant is on board staff will look to them to set the timeline of milestones.

Commissioner Hovis asked how much will it cost for the consultant. Commissioner Neel stated that in recent minutes it was said to be approximately $75,000. Rhonda Mack reported the NOFA allows for $144,000 total for consultant fees. She said the RFP was written to include the implementation and stated that the fees incurred will depend on how much involvement they have in this processs.

Commissioner Wicker asked if delaying the process would affect submitting the application next year and Ms. Mack said there are a lot of pieces that need to be in place before we can apply and these pieces take so much time that it would be difficult to submit the application next September.

Commissioner Dean asked if this consultant is similar to the planning coordinator position that was on staff and if so why not hire that position. Ms. Mack stated the consultant would have more knowledge and experience then a planning coordinator.

Ms. Vernice Hamilton asked if the next application is due September 20, 2014 and Ms. Mack stated it was.

4. RAD (Construction)

Mr. Floyd reported the architecture is working on the plans and should be complete by September 30. Mr. Floyd stated the rest of the timeline will be determined by the milestones HUD sets out.

Commissioner Wicker called on Karen Schraml to report on the tax credit and Rankin Terrace RAD. Ms. Schraml deferred to Rhonda Mack for a report on Hillcrest.

Ms. Mack handed out a letter that included a timeline. She stated in working with Sarah Molseed the letter is a narrative of where we are at, what we want to do and what can be accomplished. She stated that while the milestones weren't met to date they are something that can be caught up. Ms. Mack stated it is important to get all the numbers in for conventional loan vs. FHA loan before submitting a proforma to HUD.

Ms. Mack explained that when the application was first submitted it was for 38 one bedroom units at the Hillcrest Annex and build 40 two bedroom units in front of Jervay. She stated the application was approved but then HUD stated it was considered over housing. Ms. Mack said the only resolution was not to tear down the Annex and use other two bedrooms on the Hillcrest site. Ms. Mack explained that if the board wants to apply for the 9% tax credit it would be better for the Authority financially if we RAD out two bedroom units up in the left hand corner of Hillcrest. She stated the 9% tax credit application is due in January and a decision is needed soon.

Commissioner Hovis asked Ms. Schraml how it scored and she stated due to the changes they made it scored really well.

Glenn Floyd informed the committee that there are two decisions that need to be made, will it be HEO who files the application and use their architect or will we somehow involve WODA? The second decision would be if we go forward the board needs to make that decision at the October meeting.

Commissioner Wicker stated the committee will discuss this at the October ARD meeting and then take it to the board when they meet in October.

Commissioner Dean questioned the portion of the letter where an apology was given and Ms. Mack explained it is because we had not yet met a milestone since January. And on the advice of Sarah Molseed an apology was included in the letter.

Karen Schraml stated there is a resolution coming for approval that allows bundling the tax credits for Rankin with RAD. She explained this is on the recommendation of the consultant as it would allow a better cash flow and allow us to demo the two buildings for a community center.

Mr. Floyd stated it would be a no loan RAD since the tax credit is taking care of all the construction. He said all money would have to stay within the project. Mr. Floyd said there are two options, RAD Rankin with no loan, which NCHFA has approved, or do a loan RAD and have the Housing Authority sell the LLC the property and the loan will pay for the property while the units pay for the loan. He stated it is a matter of paying upfront or paying over 20 years. This would need NCHFA's approval.

5. Eastbrook

Glenn Floyd reported on the following;

- Permits have been received and work is underway.
- Trees have been removed.
- Plumbers and fire sprinkler crew has been working for the last 2 weeks.
- HVAC installation will begin in the next couple weeks.

Mr. Floyd reported being on schedule and is hoping move in will be in February.

6. SHDP1

Ms. Schraml reported on the Subsidy Layering Review was submitted to HUD last month and she stated she had not heard anything but expects to in the next 4 – 6 weeks.

She reported working with the State Employees Credit Union on the construction loan and received it at 0% interest.

Ms. Schraml said a ground breaking ceremony needs to be planned. She wants to find an innovative way to hold the ceremony and also include Elderhaus.

Mr. Floyd reported on the storm water permit and said that Telesis is trying to tie the permit to operating subsidy capital funding they have been wanting. Mr. Floyd stated that there was a call with our attorney and their representative to try to come to an agreement. Mr. Floyd stated as soon as this is settled and we have the permit we are ready to begin.

Commissioner Wicker asked if they keep putting this off what can be done. Mr. Floyd stated he would know after the call with our attorney and their representative scheduled for tomorrow.

Commissioner McDonald asked where we stand getting Telesis to come to the board and give a reason for this delay and Mr. Floyd stated he is currently talking to them about a visit.

Commissioners held a discussion and agreed it is coming time to take this to the public.

7. Project Matrix

Mr. Floyd reported on the following:

- EPIC reporting is due at the end of the month.
- Vesta Village Community Center upgrades will be underway soon. Axiom is the architect that will be doing the upgrades.
- Vesta Village mail kiosk is out to bid and bids are due October 25.
- Sunset South sewer repair is out to bid again due to licensing issues with the company that won the last bid.
- Hallway improvements at Solomon Towers are almost complete and kitchen cabinets in community kitchen are installed.

Ms. Schraml reported on the following:

- Multi Service Coordinator grant is out and due on October 14th.
- Grants.gov and SAM.gov needs more authorizers for WHA.
- Property Tax has been submitted.
- Creekwood South Tax Credit final cost certification has been received.
- Fire Prevention and Safety grant was received. Looking to upgrade from fire stopping to fire prevention. The grant was in the amount of $70,000.

8. Resolutions

Commissioner Wicker asked if staff had anything further to comment regarding the resolutions and Ms. Schraml stated the last resolution on the agenda is to allow staff to go out for construction lender and equity syndicator.

9. Winfield Smith

No update.

10. Other Business

Commissioner Wicker thanked the staff for all their hard work.

11. Adjournment

A motion made by Commissioner Hovis and seconded by Commissioner Neel to adjourn the meeting carried unanimously