

Housing Authority of the City of Charlotte
AGENDA
Regular Meeting of Commissioners

Boulevard Homes
1620 Brooksvale Street
Charlotte, NC 28208

February 20, 2007

1:45 p.m. - Regular Board Meeting Convenes:

Regular Meeting Agenda:

1. Public Hearing: CHA 2007-2008 Operating Budget
2. Public Forum
- Dwayne Collins
3. Additions to the Agenda
4. Consideration to Approve the Minutes for:
 - Regular Board Meeting held *January 16, 2007* (**tab 6**)
5. Special Presentation for Johnnie Kearns (Retirement)
6. Resident Advisory Council (RAC) Report (**tab 5**)
7. Monthly Report from the CEO
 - Monthly Scorecard (**tab 1**)
 - Budget to Actual Report (BAR) December 2006 (**tab 2**)
 - Cash Balance and Restriction Report December 2006 (**tab 3**)
 - MTW Annual Plan Update
 - Public Housing Assessment System (PHAS) Update
8. Committee Reports:
 - Client Relations Committee
 - Development Committee
 - Finance and Audit Committee
9. **Consent Agenda Action Items:**
 - A. Negotiate & Finalize Hall House Agreement (p.1)
 - B. McAlpine Terrace (p.2)
 - C. Glen Cove Apartments (p.5)
 - D. Program Income for the Park @ Oaklawn and Arbor Glen (p.7)

- E. Collection Loss Report for the Quarter Ended 12/31/06 (p.8)
- F. Submission of City of Charlotte Housing Trust Fund Grant Application for the renovation of Savanna Woods Apartments (p.9)

10. **Business Agenda Action Items:**

- A. Project-Based Voucher Waiting List (p.10)

11. **Executive Session:**

- A. First Ward
- B. 6th & Davidson

Consent Agenda:

Consent Agenda items for the February 20, 2007 Regular Board Meeting of the Charlotte Housing Authority Board of Commissioners.

9. A Negotiate and Finalize Hall House Brokerage Agreement

Action: **Approve Resolution No. 1442 to Authorize CHA to Negotiate and Finalize a Brokerage Agreement with CB Richard Ellis for the Sale of Hall House.**

Staff Resource: Tylee Kessler

Strategic Business: Real Estate Development

Strategic Goal: Maximize Economic, Social, and Physical Value of Real Estate

Explanation:

On November 1, 2006, the CHA formally advertised a Request for Proposals (“RFP”) from qualified commercial real estate brokerage firms to assist CHA in the sale of its asset known as Hall House via public bid. It was later determined that HUD would also allow a sale by negotiated agreement, and the method of sale could be determined by CHA. The purpose of the RFP was to select the most qualified firm and the proposal that most warranted negotiation to a final agreement.

CHA received four (4) proposals and all proposals were evaluated based on the firm’s qualifications and experience, the project approach they proposed and the compensation structure. The top three respondents were also interviewed to confirm their capabilities. The evaluation committee thoroughly reviewed all proposals and ranked CB Richard Ellis with the highest overall point total. (See score sheet below)

After the initial evaluation and the interview process, the selection committee ranked CB Richard Ellis as the most qualified firm with the best marketing strategy. We are requesting approval to move forward with negotiating a brokerage agreement that will include all HUD requirements and comply with all applicable HUD regulations. CB Richard Ellis proposed a sliding scale compensation structure ranging from 2% to 3%, depending on the final sales price. The amounts in the scale will be negotiated. We request authorization to negotiate and execute the brokerage agreement and move forward with the marketing and sale of Hall House.

Committee Discussion:

Recommended to authorize negotiations with CB Richard Ellis.

Community Input:

None

Summary of Bids:

Respondents	Total Points	Ranking
CB Richard Ellis	280	1
Percival McGuire	236	2
NAI Southern Real Estate	233	3
Colliers Pinkard	207	4

Funding:

None

Attachment

Resolution No. 1442 (Tab 4)

9. B McAlpine Terrace

Action:	<p>Approve Resolution No. 1448 to:</p> <p>A. Authorize CHA to make a loan up to an amount of \$1,000,000 of HOPE VI;</p> <p>B. Authorize CHA to make a loan up to \$800,000 of Land Sales Proceeds;</p> <p>C. Authorize Staff to Negotiate Terms and Execute All Documents Necessary and Appropriate for the Development of the Project to include applying for additional resources.</p>
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Staff Resource: Toshia Walters

Key Business: Real Estate

Strategic Goal: Maximize Economic, Social, and Physical Value of Real Estate

Explanation:

At the September 2006 Board meeting, Resolution No. 1407 was approved, which gave staff the authorization to negotiate the purchase from Wachovia via a bridge loan, and to structure a longer term permanent financing structure.

CHA had leased the entire project from the bank upon completion of the project for a period of 15 years (now amended to extend 9 additional months) and to sublease units to eligible low-income families and individuals.

On October 30, 2006, Horizon Development Properties, Inc. became the owner of McAlpine Terrace and Glen Cove Apartments. Staff is requesting to submit application for Housing Trust Fund and to pursue other resources for the referenced take out for funding the acquisition of the property.

Rents (including common area utilities and project paid tenant utilities):

- a. ACC: \$200/unit (26 one bedroom)
- b. Affordable: \$500/unit (86 one bedroom)
- c. Market Rate: none (market and affordable are essentially same in submarket)

Market Analysis:

A market study is required to apply to the Housing Trust Fund. We do have a history on operations and it would indicate that there is very little tolerance for revenue to increase. At the current rents, some concessions were offered in order to achieve effective full occupancy. On-site management now feels that the current rents can be maintained and modest increases can start to be achieved on new leases.

Proposed Permanent Sources and Uses:

The following will describe a transaction that includes a moderate rehab of the subject properties and significant transaction costs that are attributable to some of the assumed financing vehicles. The total development budget is estimated at \$2,693,787.

<u>Sources</u>		<u>% of Total</u>
a. Housing Trust Fund	\$ 720,081	28%
b. HOPE VI*	\$1,000,000	37%
c. CHA LSP Loan	\$ 778,126	28%
d. City loan	<u>\$ 195,580</u>	7%
Total Sources	\$2,693,787	

*HOPE VI amount per ACC unit = \$38,462

<u>Uses</u>		<u>% of Total</u>	
a. Acquisition Price	\$ 1,521,880	56%	
b. Payoff City Loan	\$ 195,580	7%	
c. Rehab**	\$ 517,938	18%	
d. Transaction Costs***	<u>\$ 458,389</u>	19%	
Total Uses	\$ 2,693,787		\$ 23,839 Per Unit

** Rehab includes general requirements, contractor overhead and profit, architect, contingency, etc.

***Transaction costs include developer fee, construction loan interest, reserves, soft costs, etc.

Income and Expenses: (provide per unit and total annual)

- a. Income: \$4,944 PUPY \$ 553,737 Total Annual
- b. Expenses: \$4,044 PUPY \$ 452,889 Total Annual
\$ 100,848 NOI
- c. Debt Service: \$29,157; DSC of approximately 3.40
- d. Net Cash Flow: \$ 71,691 (after payment of cash flow contingent loans)

Development Fee and Developer Guarantees:

\$125,000 in Development Consulting and Construction Management Fees.

CHA resources and net benefit to CHA:

Project financing includes \$1,000,000 (not to exceed HUD TDC limits) in HOPE VI funds. CHA will make the 1% interest-bearing HOPE VI loan anticipating that principal payments are subject to available cash flow. CHA would also provide an \$800,000 Land Sales Proceeds loan at 2%, also subject to available cash flow.

There is no provision in the budget for social services; however, Mecklenburg County operates a senior program at McAlpine Terrace.

Schedule:

Apply for HTF: February 2007
HUD approvals: April 2007

Committee Discussion: None

Community Input: N/A

Summary of Bids: N/A **MWBD Consideration:** N/A

Attachment

Resolution No. 1448 (Tab 4)

9. C Glen Cove Apartments

Action: **Approve Resolution No. 1449 to:**

- A. Authorize CHA to make a loan up to an amount of \$600,000 of HOPE VI;**
- B. Authorize CHA to make a loan up to \$1,000,000 of Land Sales Proceeds;**
- C. Authorize Staff to Negotiate Terms and Execute All Documents Necessary and Appropriate for the Development of the Project to include applying for additional resources**

Staff Resource: Toshia Walters

Key Business: Real Estate

Strategic Goal: Maximize Economic, Social, and Physical Value of Real Estate

Explanation:

At the September 2006 Board meeting, Resolution No. 1407 was approved, which gave staff the authorization to negotiate the purchase from Wachovia via a bridge loan, and to structure a longer term permanent financing structure.

CHA had leased the entire project from the bank upon completion of the project for a period of 15 years (now amended to extend 9 additional months) and to sublease units to eligible low-income families and individuals.

On October 30, 2006, Horizon Development Properties, Inc. became the owner of McAlpine Terrace and Glen Cove Apartments. Staff is requesting to submit application for Housing Trust Fund and to pursue other resources for the referenced take out for funding the acquisition of the property.

Rents (including common area utilities and project paid tenant utilities):

- a. ACC: \$233/unit (5 two bedroom and 5 three bedroom)

- b. Affordable: \$520/unit (25 two bedroom; \$570 - 15 three bedroom)

- c. Market Rate: none (market and affordable are essentially same in submarket)

Market Analysis:

A market study is required to apply to the Housing Trust Fund. We do have a history on operations and it would indicate that there is very little tolerance for revenue increases. At the current rents, some concessions were offered in order to achieve effective full occupancy. On-site management now feels that the current rents can be maintained and modest increases can start to be achieved on new leases.

Proposed Permanent Sources and Uses:

The following will describe a transaction that includes a moderate rehab of the subject properties and significant transaction costs that are attributable to some of the assumed financing vehicles. The total development budget is estimated at \$2,883,090.

<u>Sources</u>		<u>% of Total</u>
a. Housing Trust Fund	\$1,400,000	49%
b. HOPE VI*	\$ 500,000	17%
c. CHA LSP Loan	\$ 899,270	31%
d. City loan	<u>\$ 83,820</u>	3%
Total Sources	\$ 2,883,090	

*HOPE VI amount per ACC unit = \$50,000

<u>Uses</u>		<u>% of Total</u>	
a. Acquisition Price	\$ 1,014,587	35%	
b. Payoff City Loan	\$ 83,820	3%	
c. Rehab**	\$ 1,464,058	51%	
d. Transaction Costs***	<u>\$ 320,625</u>	11%	
Total Uses	\$ 2,883,090		\$57,662 Per Unit

** Rehab includes general requirements, contractor overhead and profit, architect, contingency, etc.

***Transaction costs include developer fee, construction loan interest, reserves, soft costs, etc.

Income and Expenses: (provide per unit and total annual

a. Income:	\$5,930 PUPY	\$ 296,483 Total Annual
b. Expenses:	\$4,528 PUPY	<u>\$ 226,384 Total Annual</u>
		\$ 70,099 NOI
c. Debt Service:	\$60,838; DSC of approximately 1.15	
d. Net Cash Flow:	\$ 9,261	

Development Fee and Developer Guarantees:

\$125,000 in Development Consulting and Construction Management Fees.

CHA resources and net benefit to CHA:

Project financing includes \$500,000 (not to exceed HUD TDC limits) in HOPE VI funds. CHA will make the 1% interest-bearing HOPE VI loan anticipating that principal payments are subject to available cash flow. CHA would also provide an \$899,270 Land Sales Proceeds loan at 4%, also subject to available cash flow.

Schedule:

Apply for HTF:	February 2007
HUD approvals:	April 2007

Committee Discussion: None

Community Input: N/A

Summary of Bids: N/A **MWBD Consideration:** N/A

Attachment

Resolution No. 1449 (Tab 4)

9. D Program Income for the Park @ Oaklawn and Arbor Glen

Action: **Approve Resolution 1444 to:**
 A. Amend Resolution No. 1158 which approved the Fairview Homes Hope VI Grant (Park at Oaklawn) Project Budget and
 B. Amend Resolution No. 1160 which approved the Dalton Village HOPE VI Grant (Arbor Glen)

Staff Resource: Ralph Staley

Strategic Business: Finance Administration

Strategic Goal: Attain Long – Term Financial Viability

Explanation:

This budget amendment is necessary to record program income received to date and projected through March 2007. The program income has been approved by HUD to be used to fund CSS and administration ongoing costs after these areas of the grant are fully expended. The revisions are shown in Exhibits A&B.

Committee Discussion:

The Finance & Audit Committee discussed and unanimously approved this policy for inclusion on the consent agenda at its meeting on February 7, 2007.

Funding:

Fairview Homes HOPE VI Grant(Park at Oaklawn)
Dalton Village HOPE VI Grant (Arbor Glen)

Attachment:

Exhibits A & B (Tab 3)
Resolution No. 1444 (Tab 4)

9. E Collection Loss Report for the Quarter Ended 12/31/06

Action: Approve the write-off of \$42,558.14 in accounts receivable due to collection losses for tenants vacated through 9/30/06.

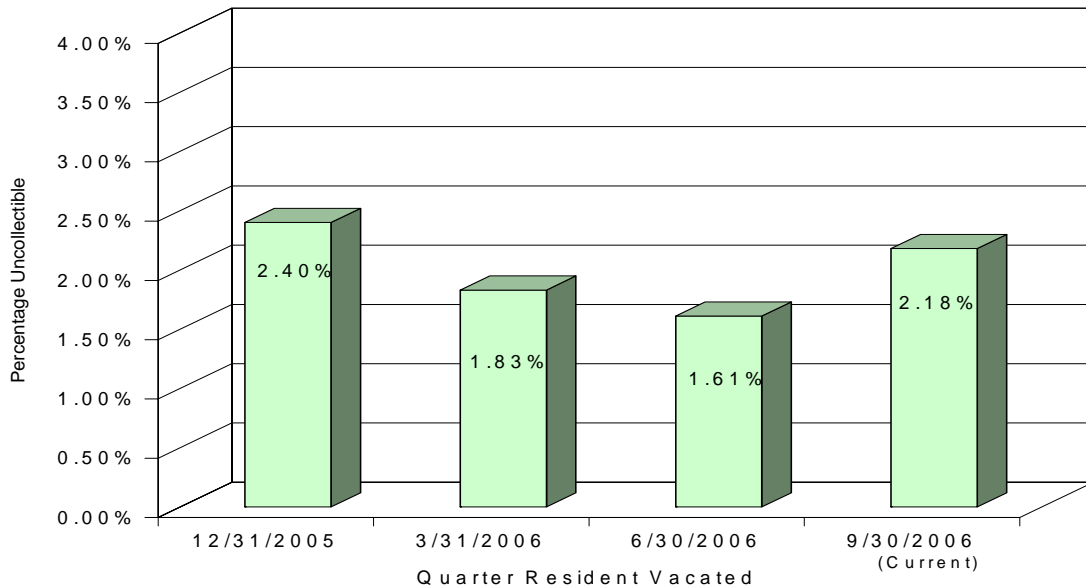
Staff Resource: Heather Franklin

Key Business : Maintain Existing Housing Stock

Policy: Accounts Receivable write-off policy

Explanation:

We are requesting to write-off as per the policy, the receivables outstanding as of December 31, 2006 from tenants who vacated during the quarter ending September 30, 2006. The amount proposed for write-off is \$42,558.14, which represents 2.18% of total charges for the quarter then ended. Included in this quarter's report are several promissory notes that the Authority entered into with previous tenants, and have not been paid. Below is a graphical depiction of the write-offs percentages over the past several quarters. All quarters below compare Total Charges.



Committee Discussion:

The Collection Loss Report was discussed at the Finance Committee meeting. Explanations were given for the three largest amounts.

Funding:

Conventional and Horizon Development

Attachment

Collection Loss Report 9/30/06 (Tab 3)

9. F Submission of City of Charlotte Housing Trust Fund Grant Application for the Renovation of Savanna Woods Apartments

Action: Approve Resolution No. <u>1445</u> , Authorizing the President/CEO to Execute the City of Charlotte Housing Trust Fund Grant Application for the Renovation of Savanna Woods Apartments
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Staff Resource: Cheryl Campbell

Key Business: Maintain Existing Housing Stock

Policy: N/A

Explanation:

On November 17, 2006 the City of Charlotte Housing Trust Fund issued a Request for Proposal for Multi-family Rental Housing Development (Rehabilitation). Funding in the amount of \$4,301,598 is available through the City’s Housing Trust Fund to provide loan and grant funds for the rehabilitation of multi-family rental housing. The HTF funds are from the City’s tax-exempt general obligation bond funds and other available City resources. The City funding is provided as gap financing and is used to finance housing for households earning 60% or less of the area median income (AMI) with priority for households earning 30% or less of the AMI. The Proposals are due on February 23, 2007.

The Housing Authority of the City of Charlotte is submitting Grant Applications for the following site:

- Savanna Woods Apartments - 49 units of substantial rehab

Substantial rehab is defined as: roofing, window replacement, complete new kitchens, baths, plumbing & light fixtures, appliances, installation of HVAC (heat and air conditioning), installation of washer/dryer connections, new interior doors, finishes, etc.

The Authority will combine its site-allocated capital fund dollars with the HTF dollars to accomplish the above work. The proposed financing for the projects is as follows:

Savanna Woods	CHA - \$1,234,480	HTF - \$1,234,480	Leverage Ratio – 1:1
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MWBD:

None.

Committee Discussion:

None.

Community Input:

None.

Summary of Bids:

N/A

Funding:

Capital Fund and HTF Grant Application

Attachments:

Resolution No. 1445 (Tab 4)

Business Agenda:

Business Agenda items for the February 20, 2007 Regular Board Meeting of the Charlotte Housing Authority Board of Commissioners.

10. A Project-Based Voucher Waiting List

<p>Action: To Ratify Board Action of February 13, 2007 by Approving Resolution No. 1450 to Authorize the CEO to Establish a Project-Based Voucher Waiting List and to Amend the Section 8 Housing Choice Voucher Administrative Plan Appropriately.</p>
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Staff Resource: Troy D. White

Strategic Business: Operations

Strategic Goal: Facilitate Development of Client Families' Highest Potential

Explanation:

On February 13, 2007, the Board approved the above action via telephone conversation conducted by the Troy White, CHA's COO. This agenda item and accompanying resolution does hereby ratify the action taken by six (6) of the seven (7) CHA Board of Commissioners on that date.

Background:

The PHA's Section 8 Housing Choice Voucher waiting list is regulated by 24 CFR 982.204 which calls for the PHA to use a single waiting list for admission to its Section 8 Housing Choice Voucher program; and use a separate waiting list for admission to its Project-Based Voucher (PBV) program. The organization of the Project-Based waiting list is regulated by a new final rule in 24 CFR 983.251 (c) which stipulates that the PHA may establish a separate waiting list for PBV units or it may use the same waiting list for

both tenant-based and PBV assistance; and the PHA may also merge the PBV waiting list with a waiting list for other assisted housing programs offered by the PHA. A PHA may choose to offer a separate waiting list for PBV assistance, the PHA must offer to place applicants who are listed on the tenant-based waiting list on the waiting list for PBV assistance. A PHA may decide to establish a separate PBV waiting list, the PHA may use a single waiting list for the PHA's whole PBV program, or it may establish separate waiting lists for PBV units in particular projects, buildings, or for sets of such units. The PHA will establish and manage separate waiting lists for individual projects or buildings that are receiving PBV assistance.

Staff shall amend the current Section 8 Housing Choice Voucher Administrative Plan to include establishment of project-based section 8 waitlist(s) by project(s) and all associated guidelines/regulations for management and operation of said project-based waitlist(s) in accordance with the above mentioned.

Committee Discussion: "None"

Funding: "None"

Attachment **Resolution No. 1450 (tab 4)**

Agenda Addition:

Approve RFP Selection of Development Consultants

Action: Approve RFP Selection of Development Consultants for Contracts not to Exceed \$300K for Various Development Projects.

Staff Resource: Ken Widis; Kathleen Foster

Strategic Business: Finance Administration (Procurement); Real Estate

Strategic Goal:

Maximize Economic, Social and Physical Value of Real Estate

Explanation: On November 1, 2006 CHA issued an RFP for Development Consultant services. These services are intended to supplement the work done by the real estate group and to provide specialized expertise in a wide range of development areas including those which are outside CHA's core business expertise, such as market residential, commercial or retail. Three responses were received. References were

verified by the selection team as part of the selection process and the responses were scored as follows:

1. Collins Partners, LLC: 78
2. DC Properties and Consulting: 83
3. Richard M. Porter: 94

As a result of the process, all three respondents were considered qualified. Staff will select consultants for specific areas of work, depending on the specific expertise required.

Based on the hourly rates quoted and the scope of work anticipated, it is likely that the consultant contracts may each exceed \$100,000 over the course of a 12-month period. Assignments will be limited based on the approved real estate budget for that year and will not exceed such budget. However, Board approval is required for any contract that may exceed \$100,000.

Committee Discussion: None

Community Input: None

Summary of Bids: Not Applicable

MWBD Consideration: One of the three consultants selected is a woman-owned firm.

Funding:

These consulting contracts will be managed under the Horizon Development budget for the Real Estate Group and under the HOPE VI and other CHA funding sources as appropriate.

Attachment: None

**MINUTES OF THE REGULAR BOARD MEETING
OF THE COMMISSIONERS' OF THE HOUSING
AUTHORITY OF THE CITY OF CHARLOTTE
HELD ON TUESDAY, JANUARY 16, 2007**

The commissioners of the Housing Authority of the City of Charlotte, North Carolina held a regular meeting at the **Charlotte Housing Authority's Central Office, 1301 South Boulevard, Charlotte, NC 28203** at 5:00 p.m. on January 16, 2007.

Present: **Commissioner Dan Page, Chairman**
Commissioner Chris Moffat
Commissioner Sandra Peters
Commissioner David Jones
Commissioner Montega Everett
Commissioner Rodney Moore

Also Present: Charles Woodyard, CEO
 Sherrod Banks, General Counsel

Chairman Page called the regular meeting of the Charlotte Housing Authority Board of Commissioners to order. The first item on the agenda is the Public Forum; therefore Chairman Page asked if there was anyone here to speak. Hearing none, he then closed the public forum.

Additions to the Agenda:

Chairman Page asked for additions/deletions to the agenda. Mr. Woodyard added the Springfield Garden resolution to facilitate the swap-out of HOPE VI money and the Housing Trust Fund money. It is being proposed that we remove Housing Trust Fund money from the Springfield deal, for the Live Oak multi-family project, and this resolution addresses that request. This item will be added to the Business Agenda as item **8.C**. Mr. Woodyard reminded the Board that this discussion and vote will be presented at the January 22, 2007 City Council meeting. Also, there are some options on the Item **7.B** (under the consent agenda) originally staff asked not to exceed \$300,000 amount, however based on committee discussion we are switching that to \$50,000 and Executive Session was deleted.

Chairman Page officially welcomed the newest Commissioner, Rodney Moore, to the Board. Traditionally it is requested that the newest member make a brief speech. Commissioner Moore stated that he is originally from Brooklyn, NY, however he grew up in Wilmington, NC. He is in the Mortgage business and somewhat of a small developer. He attended UNC-Wilmington and has traveled the country. He has made Charlotte his home and has been here for 5 years. He has a strong commitment to community involvement and happy to able to serve. Chairman Page stated that on behalf of the Board we are delighted to have you and look forward to working with you.

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Consideration to Approve the Minutes for:

- Regular Board meeting held on *December 19, 2006*

ACTION:

Motion was made to approve:	Commissioner Moffat
Motion was seconded by:	Commissioner Moore
Outcome of the vote:	Passed unanimously

Resident Advisory Council (RAC) Report:

Ms. Mary Stitt, RAC President, gave the report:

- On December 19, 2006, RAC represented at the CHA meeting.
- The December 20, 2006 the RAC Quality Circle Meeting was cancelled due to the holidays.
- Strawn Apartments held their election on December 27th and Ms. Louella Cuthbertson was re-elected as president. The swearing in ceremony took place on Thursday.
- Tall Oaks held their election on December 29th. They now have a full Board.
- Savannah Woods, Gladedale and Wallace Woods are trying to get organized for their election.
- On January 3, 2007 RAC represented at the Agency Plan Public Hearing.
- Additionally RAC held its monthly meeting on January 3, 2007 and discussed the need to have workshops concerning Leadership and Anger Management.
- There will be a review of the Agency Plan with the RAC presidents and also have role playing concerning the Grievance policy.
- On January 5, 2007 RAC had their first fund raiser of the New Year. It was very successful.
- Mr. Troy White, COO and Ms. Mary Stitt met on January 10, 2007 concerning the Moving-to-Work and the roles of the resident.
- RAC held their monthly meeting on January 8th. There was a very good turnout. The future events are: Grievance Workshop w/Edwin Towers residents as well as a site visit to various communities.
- There will be a workshop for all the new officers.
- The tenant patrol held their monthly meeting on Saturday and had a very good turnout. The residents have very serious concerns following the homicide that took place at Charlottetown Terrace.

Commissioner Jones stated that he would volunteer to attend the next Quality Circle meeting.

Monthly Report from the CEO

Monthly Balanced Scorecard report:

Troy White gave the following information:

Referring to tab one, page one regarding the December 2006 numbers for Section 8. We continue to utilize the program at a high level. There remain 127 people on the waiting list however we are planning to open the waiting list in March 2007. There will be a full ad campaign in major publications. We are planning a lottery process which will add roughly 4,000 participants on that waiting list. Presently we are waiting to amend the administrative plan which will enable us to open the waiting list process and it will be a mail-in lottery process. Relating to the conventional sites: we are on target on all sites, which are, Boulevard Homes, Dillehay Courts and Southside Homes have been doing a tremendous job with vacancy turns. The Affordable sites are at 16 days versus the 21 last month. The accounts receivables are improving on a monthly basis; some is a lag in the reporting process and some people pre-pay rents which are being filtered out. On the last page we have two units, which categorized as our owned site, one unit had not been turned over a long period of time, and however we have had a management change. Whenever we have units that don't meet the 20 day threshold we withhold the management fee. We are working with all the companies and are at 30 days collectively.

Moving-to-Work (MTW)Update:

Charles Woodyard, CEO, Troy White, COO and Shaunte Evans, CAO, will be traveling to Washington, DC for the second MTW conference. This will be a conference of all the MTW agencies around the country. There will be discussion relating to HUD's changes on the MTW format which are being imposed on the Authority's. Presently we do have an interim MTW agreement with HUD. CHA will be the first agency to report to HUD under their new format for the MTW plan which will replace the Agency Plan. We are in the process of developing our MTW plan and when we become fully engrossed into MTW we will have to design a very good data tracking system and data collection system. It will be expected by HUD to report on the impact of this deregulation on your clients and on the Authority. Also at some point we may give the Board a calendar of MTW milestones. The MTW process will need to become a very big issue with the Client Relations Committee. While in DC the executive team will meet with Senator Byrd's office and Congressman Watt's office to further discuss MTW.

Committee Reports

Development Committee Report:

The following update was given by Commissioner Jones:

- The committee held its meeting on January 10, 2007.

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- Acting on authority delegated from the Board in the December meeting approved resolution for the land swaps needed in order to site the KROC Center in the Belmont Community.
- Additionally there were some items acted on which are on the Consent Agenda, Item 7.A and Item 7.B, relating to the sell of the Belvedere Home property to the City of Charlotte. Also, to authorize the staff to perform due diligence in terms of investigating participating in the Capital Fund Financing Program which is also on the Consent Agenda.
- On the Business Agenda, Item 8.C, (concerning HOPE VI loan to Spring Gardens as a part of the Live Oak Multi-Family funding) we received an update on the Hall House disposition as well as an update on the ongoing negotiations with the City of Charlotte relating to our payment in lieu of taxes agreement.
- Ms. Kathleen Foster, VP Real Estate Development, presented three initiatives that the development group will examine over the year. Particularly one dealing with reaching out to various houses of worship to explore ways of creating some rental subsidy money. Another is to reach out to social service organizations whose client base are disabled citizens relating to housing options and lastly an initiative involving the school system for ways to look at excess land acquired in connection with new school construction for location of affordable housing.
- In connection with the Hall House RFP, Mr. Narron and Ms. Keesler, from the development group, have started the interview process for brokerage firms.

Kathleen Foster, VP Real Estate Development, wanted to announce good news; that the letter from NCHFA confirming that we do have the tax credit application for the Crossings at Siegle Point. This means that all of the affordable components of the Piedmont Courts grant now have their funding in place. There should not be any difficulty in meeting the September 2009 deadline. Praises to Michelle Allen, Grubb Properties, TCG and all involved in this success.

Finance and Audit Committee:

The following update was given by Commissioner Peters:

- The Finance and Audit Committee met on January 10, 2007.
- Commissioner Peters wanted to thank Commissioner Montega Everett and Commissioner Rodney Moore for attending the meeting. The committee benefited from their input.
- The majority of items are on the Consent Agenda. However, the committee recommended that the Board call for a public hearing on 2007-2008 Operating Budget. Also copies were received, if you did not receive a copy; please contact Ralph Staley, CFO.

Consent Agenda Action Items:

Chairman Page explained that these are the Consent Agenda Action items which previously have been brought before their individual working committees. At this time you can select any item for discussion if you need further information or you can leave all

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these items as they are shown under consent through **Item 7.A – Item 7.E** It was mentioned that there was one change to **Item 7.B** from \$300,000 in the resolution has been changed to \$50,000. Chairman Page asked for a motion to approve the consent agenda action items.

ACTION:

Motion was made by:	Commissioner Jones
Motion was seconded by:	Commissioner Peters
Outcome of the vote:	Passed unanimously

Business Agenda Action Items:

8.A Board Officer Elections:

Elect a Chair and Vice-Chair for the Charlotte Housing Authority Board of Commissioners for the Calendar Year 2007 According to Authority By-Laws. Chairman Page stated that once a year at the January meeting we are to hold elections for the Chairperson and Vice Chairperson. The nominations were opened. Commissioner Peters nominated Commissioner Jones for Chairman. Commissioner Rodney Jones nominated Chairman Page for chair. Commissioner Jones stated that he appreciated the nomination however; he would like to withdraw and suggest that Chairman Page be nominated by acclamation.

ACTION:

Motion was made by:	Commissioner Moffat
Motion was seconded by:	Commissioner Moore
Outcome of the vote:	Passed unanimously

Chairman Page then opened the floor for nominations for Vice-Chairperson. Commissioner Moore nominated Commissioner Peters. Hearing no other nominations a motion was requested.

ACTION:

Motion was made by:	Commissioner Moffat
Motion was seconded by:	Commissioner Moore
Outcome of the vote:	Passed unanimously

8.B 2007 Annual Agency Plan and Five Year Plan Submission:

Approve Resolution No. **1439** to authorize CHA to submit the annual Agency Plan for 2007 and the 5-Year plan for 2005-2006.

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ACTION:

Motion was made by: Commissioner Moffat
Motion was seconded by: Vice-Chairperson Peters
Outcome of the vote: Passed unanimously

8.C Approve Resolution No. 1441 to amend Resolution No. 1279 which adopted investments of up to \$1.6 million in Arbor Glen HOPE VI funds for Springfield

ACTION:

Motion was made by: Commissioner Moore
Motion was seconded by: Commissioner Jones
Outcome of the vote: Passed unanimously

A motion was made by Commissioner Moffat to adjourn the Charlotte Housing Authority's regular Board meeting and it was seconded by Commissioner Moore. The motion passed unanimously. Chairman Page then called the CORE Program, Inc. meeting to order.

Minutes respectfully prepared by: Barbara G. Porter
Administrative Assistant to the CEO

The next meeting will be held on Tuesday, February 20, 2007 at Boulevard Homes, 1620 Brooksvale Street, Charlotte, NC 28208. If you have any questions/comments, please contact the Executive Office at 704.336.5221. Note: This is an afternoon meeting and it will start at 1:45 p.m.

Horizon Development Properties, Inc.
Meeting of Directors
AGENDA

Boulevard Homes
1620 Brooksvale Street
Charlotte, NC 28208

February 20, 2007

Directly After CHA Board Meeting – Meeting Convenes:

Regular Meeting Agenda:

1. Additions to the Agenda
2. Consideration to Approve the Minutes for:
 - Meeting held on *November 21, 2006*
 - Meeting held on *December 19, 2006*
3. **Business Agenda Item:**
 - A. McAlpine Terrace & Glen Cove Apartments Project Budget
 - B. Glen Cove Housing Trust Fund Submission
 - C. McAlpine Terrace Housing Trust Fund Submission

Business Agenda:

Business Agenda items for the February 20, 2007 Meeting of the Horizon Development Properties Board of Directors

3. A McAlpine Terrace & Glen Cove Apartments Project Budget

Action: Amend the Capital Project Budget for McAlpine Terrace & Glen Cove in Horizon Development Properties, Inc.

Staff Resource: Ralph Staley

Strategic Business: Finance and Administration

Strategic Goal: Attain Long-Term Financial Viability

Explanation:

This amendment is to show the change in revenues and expenses for the McAlpine Terrace & Glen Cove Capital Project. The net increase in funding is \$941,877 due primarily to the increase of funding from Land Sale Proceeds of \$1,177,396 and increase in funding from the City Housing Trust Fund of \$620,000 and a decrease in funding from conventional mortgage sources of \$750,000. The corresponding increase in expense is primarily in the Maintenance category in the amount of \$981,996. These adjustments are shown on the attached Exhibit A.

Also as a part of this amendment the Chief Executive Officer (CEO) or his/her designee may transfer funds as provided below. All such transfers must be consistent with state or federal laws and local board policies. The CEO or his/her designee must report any such transfers at the regular meeting of the board at which the budget to actual results are discussed and transfers between functions must be entered in the minutes of that meeting.

1. The CEO may transfer between sub-functions and objects of expenditure within a function.
2. The CEO may transfer amounts not to exceed \$50,000 between functions.
3. The CEO may not transfer any amounts between funds or increase the total amount of a fund.

Committee Discussion:

The Finance & Audit Committee discussed and unanimously approved this amendment at its meeting on February 7, 2007.

Funding:

Land Sale Proceeds
Housing Trust Fund
HOPE VI
City Loan

Attachment

McAlpine Terrace & Glen Cove Capital Project Budget

RECORDING OFFICER’S CERTIFICATION

I, Charles Woodyard, the duly appointed Secretary of the Horizon Development Properties, Inc., do hereby certify that the above item was properly adopted at a regular meeting held February 20, 2007.

(SEAL)

BY: _____
Charles Woodyard, Secretary
CEO

3. B Glen Cove Housing Trust Fund Submission

Action: To Authorize the President/CEO to Execute and Submit Proposal to the City of Charlotte Housing Trust Fund for Glen Cove Renovation

Staff Resource: Toshia Walters

Strategic Business: Real Estate

Strategic Goal: Maximize Economic, Social, and Physical Value of Real Estate

Explanation:

At the September 2006 CHA Board meeting, Resolution No. 1407 was approved, which gave staff the authorization to negotiate the purchase from Wachovia via a bridge loan and to structure a longer term permanent financing structure.

CHA had leased the entire project from the bank upon completion of the project for a period of 15 years (now amended to extend 9 additional months) and to sublease units to eligible low-income families and individuals. On October 30, 2006, **Horizon**

Development Properties, Inc. became the owner of McAlpine Terrace and Glen Cove Apartments.

Housing Authority desires to submit application for funding to the City of Charlotte Housing Trust Fund in response to its Request for Proposal dated November 17, 2006 for a proposed amount of \$1,400,000.00 for the interior renovation of Glen Cove Apartments comprised of 50 dwelling units.

Committee Discussion:

None

Funding:

Land Sale Proceeds
Housing Trust Fund
HOPE VI
City Loan

Attachment

None

RECORDING OFFICER’S CERTIFICATION

I, Charles Woodyard, the duly appointed Secretary of the Horizon Development Properties, Inc., do hereby certify that the above item was properly adopted at a regular meeting held February 20, 2007.

(SEAL)

BY: _____
Charles Woodyard, Secretary
CEO

3. C McAlpine Terrace Housing Trust Fund Submission

Action:	To Authorize the President/CEO to Execute and Submit Proposal to the City of Charlotte Housing Trust Fund for McAlpine Terrace Special Needs Renovation
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Staff Resource: Toshia Walters

Strategic Business: Real Estate

Strategic Goal: Maximize Economic, Social, and Physical Value of Real Estate

Explanation:

At the September 2006 CHA Board meeting, Resolution No. 1407 was approved, which gave staff the authorization to negotiate the purchase from Wachovia via a bridge loan and to structure a longer term permanent financing structure.

CHA had leased the entire project from the bank upon completion of the project for a period of 15 years (now amended to extend 9 additional months) and to sublease units to eligible low-income families and individuals. On October 30, 2006, Horizon Development Properties, Inc. became the owner of McAlpine Terrace and Glen Cove Apartments.

Housing Authority desires to submit application for funding to the City of Charlotte Housing Trust Fund in response to its Request for Proposal dated November 17, 2006 for a proposed amount of \$720,081.00 for the conversion of 16 standard 1 BR dwelling units for handicap accessibility, as well as exterior repairs and roofing.

Committee Discussion:

None

Funding:

Land Sale Proceeds
Housing Trust Fund
HOPE VI
City Loan

Attachment

None

RECORDING OFFICER’S CERTIFICATION

I, Charles Woodyard, the duly appointed Secretary of the Horizon Development Properties, Inc., do hereby certify that the above item was properly adopted at a regular meeting held February 20, 2007.

(SEAL)

BY: _____
Charles Woodyard, Secretary
CEO

Agenda Addition:

RFP Selection of Development Consultants

Action: Approve RFP Selection of Development Consultants for Contracts not to Exceed \$300K for Various Development Projects.

Staff Resource: Ken Widis; Kathleen Foster

Strategic Business: Finance Administration (Procurement); Real Estate

Strategic Goal:

Maximize Economic, Social and Physical Value of Real Estate

Explanation: On November 1, 2006 CHA issued an RFP for Development Consultant services. These services are intended to supplement the work done by the real estate group and to provide specialized expertise in a wide range of development areas including those which are outside CHA's core business expertise, such as market residential, commercial or retail. Three responses were received. References were verified by the selection team as part of the selection process and the responses were scored as follows:

4. Collins Partners, LLC: 78
5. DC Properties and Consulting: 83
6. Richard M. Porter: 94

As a result of the process, all three respondents were considered qualified. Staff will select consultants for specific areas of work, depending on the specific expertise required.

Based on the hourly rates quoted and the scope of work anticipated, it is likely that the consultant contracts may each exceed \$100,000 over the course of a 12-month period. Assignments will be limited based on the approved real estate budget for that year and will not exceed such budget. However, Board approval is required for any contract that may exceed \$100,000.

Committee Discussion: None

Community Input: None

Summary of Bids: Not Applicable

MWBD Consideration: One of the three consultants selected is a woman-owned firm.

Funding:

These consulting contracts will be managed under the Horizon Development budget for the Real Estate Group and under the HOPE VI and other CHA funding sources as appropriate.

Attachment: None

RECORDING OFFICER'S CERTIFICATION

I, Charles Woodyard, the duly appointed Secretary of the Horizon Development Properties, Inc., do hereby certify that the above item was properly adopted at a regular meeting held February 20, 2007.

(SEAL)

BY: _____
Charles Woodyard, Secretary
CEO

**MINUTES OF HORIZON DEVELOPMENT PROPERTIES, INC.
BOARD MEETING HELD ON TUESDAY, NOVEMBER 21, 2006
AT EDWIN TOWERS**

Regular Meeting Agenda:

Additions to the Agenda:

Mr. Woodyard, stated that on Business Agenda Item **3.C** it should be amended to read a contribution up to \$10,000. Chairman Page approved this change.

Consideration to approve the minutes for:

- Meeting held *October 17, 2006*

ACTION:

Motion was made to approve:	Commissioner Jones
Motion was seconded by:	Commissioner Everett
Outcome of the vote:	Passed unanimously

Business Agenda Item:

3. A Budget Amendment for Seneca Woods Apartments Funds Request

Approve an Amendment to the Horizon Development Budget for the Fiscal Year Ending March 31, 2007.

ACTION:

Motion was made to approve:	Commissioner Bush-Carter
Motion was seconded by:	Commissioner Jones
Outcome of the vote:	Passed unanimously

3.B Predevelopment Cost for 6th & Davidson Project

Approve an Amendment to the Horizon Development Budget for the Fiscal Year Ending March 31, 2007

ACTION:

Motion was made to approve:	Commissioner Jones
Motion was seconded by:	Commissioner Peters
Outcome of the vote:	Passed unanimously

3.C Funds Request for Housing Charlotte 2007 Sponsorship

Approve an Amendment to the Horizon Development Budget for the Fiscal Year Ending March 31, 2007

Horizon Development Properties, Inc.
November 21, 2006

NOTE:

Motion was made to approve with the change requested that this item be capped at \$10,000. However, Commissioner Jones stated that he would like to alter that motion to give the Charlotte Housing Authority up to \$5,000 in budget authority for this contribution. He is not in favor of the Charlotte Housing Authority sponsoring this at the highest level and he also would prefer this be capped at \$5,000. Chairman Page agreed and the motion will read as follows: That the Charlotte Housing Authority sponsor up to \$5,000.

ACTION

Motion was made to approve:	Commissioner Jones
Motion was seconded:	Commissioner Bush-Carter
Outcome of the vote:	Passed unanimously

NOTE: Item **3.D** was pulled and put under the Business Agenda of the November 21, 2006 Regular Board Meeting.

A motion was made to adjourn the meeting by Commissioner Jones and seconded by Commissioner Peters. The motion passed unanimously.

Minutes respectfully prepared by:	Barbara G. Porter Administrative Assistant to the CEO
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**MINUTES OF HORIZON DEVELOPMENT PROPERTIES, INC.
BOARD MEETING HELD ON TUESDAY, DECEMBER 19, 2006
AT THE CHARLOTTE HOUSING AUTHORITY**

Regular Meeting Agenda:

Additions to the Agenda:

Commissioner Peters asked if there were any additions or changes to the agenda. Sherrod Banks, General Counsel, stated that the Business Agenda shows a part A and B; however it would only be Resolutions to approve the merger of Seneca Woods Limited Partnership into Horizon Development Properties, Inc. Simplified: Item **3.B** will be dropped completely. The Action Item for Item **3.A** should read: Approve resolution authorizing the merger of Seneca Woods Limited Partnership into Horizon Development Properties, Inc.

ACTION:

Motion was made to approve the agenda w/amendments:	Commissioner Moffat
Motion was seconded:	Commissioner Everett
Outcome of the vote:	Passed unanimously

Consideration to Approve the Minutes for:

- Meeting held on *November 21, 2006 (Note: approval deferred to next meeting)*

Business Agenda Item:

3.A Approve a Resolution authorizing the merger of Seneca Woods Housing, Inc. and Park Seneca Housing, Inc. into Horizon Development Properties, Inc.

General Counsel explained that the resolutions would adopt a plan of merger of the Limited Partnership into Horizon Development Properties, Inc. which is a non-profit entity that can take advantage of the tax exemption. The Partnership is merging into the non-profit. Note: The resolution is to adopt the plan of merger as well as to adopt the article of merger and to direct the CEO/president to execute any documents to consummate the merger. This includes the filling of the Articles of Merger with the Secretary of States office.

ACTION:

Motion was approved by:	Commissioner Moffat
Motion was seconded by:	Commissioner Everett
Outcome of the vote:	Passed unanimously

Horizon Development Properties, Inc. Meeting
December 19, 2006

Commissioner Peters stated that it had been approved and seconded that we approve the resolution authorizing the merger of Seneca Woods Limited Partnership into Horizon Development Properties, Inc.

A motion was then made that we adjourn the Horizon Development Properties, Inc. by: Commissioner Moore and then seconded by: Commissioner Everett. The motion passed unanimously.

Minutes respectfully prepared by:

Barbara G. Porter
Administrative Assistant to the CEO