



Charlotte Housing Authority

**BOARD OF COMMISSIONERS
BOARD MEETING**

March 16, 2010

*Southside Homes
3400 Griffith Street
Charlotte, NC 28203*

Mission Statement

“To lead, develop, and execute community-wide strategies that meet the broad range of housing needs for families who cannot otherwise attain conventional housing”

*Joel Ford - Chairman
Will Miller - Vice Chairman
Lucille Puckett
Benjamin Hill
Geraldine Sumter
Rodney Moore
David Jones*



**HOUSING AUTHORITY OF THE CITY OF
CHARLOTTE**

NOTICE

BOARD MEETING

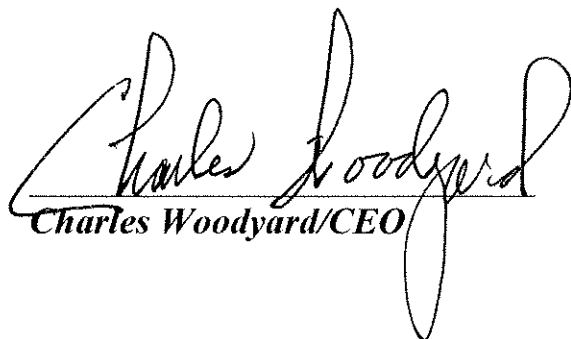
BOARD OF COMMISSIONERS' MEETING

March 16, 2010

NOTICE is hereby given that a Board meeting of the Board of Commissioners' of the Housing Authority of the City of Charlotte will be held on ***March 16, 2010*** as follows:

TIME/Date: ***5:00 P.M.***
 March 16, 2010

LOCATION: ***Southside Homes***
 3400 Griffith St.
 Charlotte, NC 28203


Charles Woodyard/CEO

Housing Authority of the City of Charlotte

Regular Meeting of the Board of Commissioners

*Southside Homes
3400 Griffith Street
Charlotte, NC 28203*

March 16, 2010

5:00 p.m. - Regular Board Meeting Convenes:

Regular Meeting Agenda:

1. Pledge of Allegiance
2. Public Hearing: 2010 – 2011 Annual Operating Budgets
3. Public Forum
4. Additions to the Agenda
5. Consideration to Approve the Minutes for:
 - Regular Board Meeting held *February 16, 2010 (Tab 3)*
6. Monthly Report from the CEO
 - Business Plan Update
 - Monthly Scorecard (**Tab 1**)
7. Committee Reports:
 - Client Relations Committee
 - Development Committee
 - Finance and Audit Committee
8. **Consent Agenda Action Items:**
 - A. Charlottetown Terrace Rehabilitation Project Approval (1812) (**p. 1**)
Budget Adoption: Charlottetown Terrace Rehabilitation Project Approval (1813)
 - B. Budget Amendment: MTW Funds (1814) (**p.3**)
 - C. Budget Amendment: Asset Management Project Budget (1815) (**p.5**)
 - D. Budget Amendment: 2006 ROSS Homeownership Grant Budget (1816) (**p.6**)
9. **Business Agenda Action Items:**
 - A. Budget Adoption: Annual Operating Budgets (1811) (**p.8**)
10. **Executive Session:**
 - Legal Issues

Consent Agenda:

Consent Agenda items for the March 16, 2010 Regular Board Meeting of the Charlotte Housing Authority Board of Commissioners.

**8.A Charlottetown Terrace Rehabilitation Project Approval
Budget Adoption: Charlottetown Terrace Rehabilitation Project**

Action: 1. Approve Resolution No. 1812 for the Charlottetown Terrace Rehabilitation Project of up to \$11,200,000.
2. Approve Resolution No. 1813 to Adopt the Capital Project Budget for the Charlottetown Terrace Rehabilitation Project.

Staff Resource: J. Wesley Daniels, Ralph Staley

Strategic Business: Real Estate, Finance and Administration

Strategic Goal: Maximize Economic, Social, and Physical Value of Real Estate
Attain Long-Term Financial Viability

Explanation:

Project Status: Project Budget Approval

Staff is requesting “project approval” and “project budget approval” for Charlottetown Terrace (as detailed in the November 2009 Development Committee – “Development Process). All funding sources have been secured. These sources include: Capital Fund Recovery Competition (CFRC) grant, Moving to Work (MTW) grant and City of Charlotte – Housing Trust Fund (HTF) loan.

Staff is currently procuring a Construction Manager at Risk (CMAR) to assist in preconstruction, construction and contract administration activities for Charlottetown. Once the project reaches 80% construction documents and firm construction estimates, the CMAR will convert to a Guaranteed Maximum Price (GMP) contract. Staff will be presenting the CMAR recommendation in April 2010.

In June 2009, the Board approved a MTW commitment of up to \$4 million in concert with the Capital Fund Recovery Competition (CFRC) grant to support the rehabilitation of Charlottetown Terrace. In addition, the City of Charlotte awarded Charlottetown a one million dollar Housing Trust Fund loan in June.

In September 2009, Charlottetown Terrace was awarded \$6.2 million in CFRC grant funds. The redevelopment will include a total energy efficiency retrofit of 161 efficiency and one-bedroom units, all currently rented to seniors and disabled adults living at or below 30% of AMI. The CFRC grant must be fully-obligated by September 2010.

CHA’s Section 9 residents will occupy 100% of these units. This renovated community will include a new, “serviced-enriched” environment to accommodate the needs of the residents. Proposed project amenities will include: on-site medical/social service offices, community gathering room, commercial kitchen, exercise room, library, movie theater, lounge and other indoor/outdoor amenities. In order to accommodate the additional amenity areas and common space, there will be a reduction of nineteen (19) Section 9 units within the community. In the future, these units will be replaced within other developments that are currently within CHA’s pipeline.

Sources

CFRC-Category 4	6,200,000
CHA MTW	4,000,000
Housing Trust Fund	<u>1,000,000</u>
Total	\$11,200,000

Uses

Construction	\$ 9,227,837
Prof. & Soft Costs*	988,334
Reserves & Escrows**	<u>983,829</u>
Total	\$11,200,000

* *Professional and Soft Costs includes \$400,000 in Developer Fees payable to CHA.*

** *Reserves & Escrows include Relocation and Reserves.*

Schedule:

HTF - City Council:	June	2009
CFRC Award:	September	2009
Construction Start:	August	2010

Obligation Deadline: September 2010
Expended - 60% Deadline: July 2011
Construction Completion: September 2011
Expended - 100% Deadline: August 2012

Committee Discussion:

The Development Committee and Finance & Audit Committee discussed and unanimously approved this item for the consent agenda at its meeting March 3, 2010.

Community Input:

Resident meetings and design charettes were held several times throughout the year.

MWBD Consideration:

Staff will ensure that CHA's Section 3/MWBE policy goals are prominently incorporated in all agreements and will make strong, affirmative efforts to encourage all contractors and service providers to meet and exceed those goals.

Funding:

CFRC, MTW and HTF

Attachments:

Resolution No. 1812 (Tab 2)

Resolution No. 1813 (Tab 2)

Exhibit A for Resolution No. 1813 (Tab 2)

Adopted June 3, 2009 Development Committee Meeting Minutes (Tab 2)

8.B Budget Amendment: MTW Funds

Action: Approve Resolution No. 1814 to amend Resolution No. 1799 which Amended the MTW Funds Budget for the fiscal year ending March 31, 2010.

Staff Resource: Ralph Staley

Strategic Business: Finance and Administration

Strategic Goal: Attain Long- Term Financial Viability

Explanation:

This amendment addresses two issues which are: 1) to cancel a loan made to Horizon Development Properties, Inc. and 2) to transfer funds to be utilized in the Charlottetown Terrace Rehabilitation Project.

In August and September 2009, MTW funds in the amount of \$320,000 were loaned to Horizon Development Properties, Inc. (Horizon) to fund predevelopment costs for the Charlottetown Terrace Rehabilitation Project. Staff now knows that going forward this project will be housed in CHA not Horizon. Therefore, it is necessary to cancel the loan previously made to Horizon in the amount of \$320,000.

In Resolution 1813, staff is establishing a capital project budget (upon approval of the project at the Development Committee meeting) for the Charlottetown Terrace Rehabilitation Project. Predevelopment expenses are a part of the project costs and any predevelopment expenses already incurred will be charged against the new project budget.

The Board previously committed \$4,000,000 in MTW funds for the Charlottetown Terrace Rehabilitation Project. This commitment remains an integral part of the project. Now that it will be managed under CHA instead of Horizon, the commitment must be reclassified. Therefore, in this amendment, those funds are being transferred to the capital project.

In Exhibit A, Loans to Other is reduced by \$320,000, Capital Projects -AMPS is increased by \$60,000 and Capital Projects - Real Estate is increased by \$260,000 which represents the cancellation of the loan and matches the manner in which the loan was originally recorded. Also in Exhibit A, Capital Projects- Real Estate is reduced by \$4,000,000 and Operating Funds Transfers Out- Capital Fund is increased by \$4,000,000 for the capital project. The net effect to Capital Projects-Real Estate is a reduction of \$3,740,000 (\$4,000,000-\$260,000).

Committee Discussion:

The Finance & Audit Committee discussed and unanimously approved this item for the consent agenda at its meeting March 3, 2010.

Funding:

MTW Funding

Attachment:

Resolution No. **1814** (Tab 2)

Exhibit A for Resolution No. **1814** (Tab 2)

8.C Budget Amendment: Asset Management Project Budget

Action: Approve Resolution No. 1815 to Amend Resolution No. 1760 which amended the Asset Management Project Budget for the fiscal year ending March 31, 2010.

Staff Resource: Ralph Staley

Strategic Business: Finance and Administration

Strategic Goal: Attain Long – Term Financial Viability

Explanation:

This amendment is necessary for two purposes: 1) the transfers of funding for the First Ward Case Manager Program and 2) year end cleanup in the asset management projects.

The CHA has a case management program for tenants at First Ward. Funding for this program has historically been paid from the interest payments received on the construction loan for the First Ward property. The revenue needed to fund the program is \$305,301. The available interest from the construction loan this year amounts to \$229,075. Therefore, an additional amount of \$76,226 is needed from C.O.R.E. Programs, Inc. to fully fund the program.

During our year end review, staff found that the \$551,626 expenditure for the Asset Management fees paid to the Central Office Cost Center for the 2009 Capital Fund was budgeted in the Administrative category. This should have been budgeted in the Tenant and Social Services category. Additionally, \$93,720 in asset management fees paid to the Central Office Cost Center for the mixed income projects should not have been budgeted in Operating Transfer Out - Mixed Finance but rather in Tenant and Social Services.

Exhibit A shows Other Sources of Operating Transfers In - C.O.R.E. of \$76,226 and reduces Operating Transfers In - First Ward Interest by \$76,226. Funding in the amount of \$93,720 is reallocated from Operating Transfers Out- Mixed Finance to Tenant and Social Services. Funding in the amount of \$551,626 is being reallocated from the Administrative line item to Tenant and Social Services. The net effect on Tenant and Social Services is \$645,346 (\$551,626+\$93,720).

Committee Discussion:

The Finance & Audit Committee discussed and unanimously approved this item for the consent agenda at its meeting March 3, 2010.

Funding:

C.O.R.E. Funding

Attachments:

Resolution No. 1815 (Tab 2)

Exhibit A for Resolution No. 1815 (Tab 2)

8.D Budget Amendment: 2006 ROSS Homeownership Grant Budget

Action: Approve Resolution No. 1816 to Amend Resolution No. 1576 which Amended the 2006 Resident Opportunity & Self Sufficiency (ROSS) Family Homeownership Support Services Grant

Staff Resource: Ralph Staley

Strategic Business: Finance Administration

Strategic Goal: Attain Long – Term Financial Viability

Explanation:

This budget amendment reflects the proposed Budget Revision #3 sent to HUD Greensboro with a six month extension request for the grant, and is also necessary to prepare for the year end audit. This amendment reduces the funds in the Program Coordinator and Travel Costs budget line items because only one coordinator was hired for this grant due to the receipt of the ROSS FSS Coordinator grant award. Therefore, there have been less salary needs than originally budgeted. This amendment also reallocates expenditures in the Training Costs, Supportive Services and Administrative Costs budget line items to accommodate increased expenditures in educational, vocational and supportive services needed to move participants to economic sufficiency. Exhibit A shows the reallocation of expenditures.

Committee Discussion:

The Finance & Audit Committee discussed and unanimously approved this item for the consent agenda at its meeting March 3, 2010.

Funding:

ROSS - Family Homeownership Support Services Grant

Attachment:

Resolution No. 1816 (Tab 2)

Exhibit A for Resolution No. 1816 (Tab 2)

Business Agenda:

Business Agenda item for the March 16, 2010 Regular Board Meeting of the Charlotte Housing Authority Board of Commissioners.

9.A Budget Adoption: 2010-2011 Annual Operating Budgets

<p>Action: Approve Resolution No. <u>1811</u> Which Adopts the Moving To Work Budget, Central Office Cost Center Budget, Asset Management Project Budget, Section 8 Budget and Carole Hoefener Center Budget for the fiscal year ending March 31, 2011.</p>
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Staff Resource: Ralph Staley

Strategic Business: Finance Administration

Strategic Goal: Attain Long Term Financial Viability

Explanation:

The Authority's Board of Commissioners, acting through its delegated officers, has the primary responsibility for ensuring that the PHA is operated in an efficient and economical manner and that its financial integrity is maintained. This responsibility is exercised through the review, approval and control of the PHA Operating Budgets. These resolutions are the formal resolutions related to the Board adopting the FY2010-2011 Annual Operating Budget to include the budgets for Moving To Work, Central Office Cost Center, Asset Management Projects, Section 8, and Carole Hoefener Center.

The Board in Exhibit A is adopting the operating budget for Moving to Work. The Board in Exhibit B is adopting the operating budget for the Central Office Cost Center. Exhibit C shows for Board review and approval the individual asset management projects (AMP's) per HUD regulations, but the Board is being asked, for ease of administration of North Carolina State law, to adopt the budget in its total for the AMP's as the budgetary compliance level. In Exhibits D & E the Board is adopting the Section 8 and Carole Hoefener Center budgets respectively.

Committee Discussion:

The CFO met with the Commissioners to discuss the 2010-2011 Budget. Commissioner questions were recorded and answers to those questions were given to the Commissioners at the Finance & Audit Committee meeting. The CFO requested that Commissioners ask any additional questions before the Board meeting on March 16, 2010.

Funding:

ACC No. A-4156

Attachments:

Resolution No. **1811** (Tab 2)

Exhibit A for Resolution No. **1811** (Tab 2)

Exhibit B for Resolution No. **1811** (Tab 2)

Exhibit C for Resolution No. **1811** (Tab 2)

Exhibit D for Resolution No. **1811** (Tab 2)

Exhibit E for Resolution No. **1811** (Tab 2)

**MINUTES OF THE REGULAR BOARD MEETING
OF THE COMMISSIONERS OF THE
HOUSING AUTHORITY OF THE CITY OF CHARLOTTE
HELD ON TUESDAY, FEBRUARY 16, 2010**

The Board of Commissioners of the Housing Authority of the City of Charlotte, North Carolina held a regular meeting at the *Charlotte Housing Authority, 1301 South Boulevard, Charlotte, NC 28203* at 12 noon on Tuesday, February 16, 2010.

Present: ***Chairman Joel Ford***
 Vice-Chairman Will Miller
 Commissioner Ben Hill
 Commissioner Geraldine Sumter
 Commissioner Lucille Puckett
 Commissioner David Jones
 Commissioner Rodney Moore

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

Pledge of Allegiance:

Chairman Ford asked that everyone stand as Commissioner Puckett leads us in the pledge of allegiance. Once completed, the public forum was opened.

Public Forum:

Chairman Ford asked if there was anyone who desired to speak at the public forum to address the Board at this time. Ms. Lucy Brown, President of the Sunridge Community came forward. To start she thanked the Board, all commissioners, for what you do for us and all you have done and all that you will do in the future. She would like to question about the truancy policy between the Housing Authority and Charlotte-Mecklenburg School System (CMS), when will it be implemented. Mr. Woodyard responded that we are still in negotiations with CMS and presently he does not have a good answer, it is in their hands. Ms. Brown thanked Mr. Woodyard for the response.

Chairman Ford asked if there were any others present to speak. Hearing none, the public forum was closed. He then moved forward to the next topic.

Additions to the Agenda:

Chairman Ford commented that he has one change to make, which is Item 6, Committee Reports, due to a time constraint as well as a number of agenda items that we have he is requesting that

we forgo that part of the agenda. He has spoken with Commissioner Moore and Commissioner Jones and they have consented and obviously as Development Chair he has as well, therefore if there are not objections, he is requesting that it be removed. He requested if there are any agenda items, additions or modifications, that we need to make at this time? Hearing none, he would like to entertain a motion to amend the agenda as outlined.

ACTION:

Motion was made for approval:	Commissioner Moore
Motion was seconded by:	Commissioner Puckett
Outcome:	Passed unanimously

Consideration to approve the minutes:

- Regular Board meeting held *January 19, 2010*
- Special Board meeting held *February 3, 2010*

ACTION:

Motion was made to approve January 19, 2010 minutes:	Vice-Chairman Miller
Motion was seconded by:	Commissioner Moore
Outcome:	Passed unanimously

Consideration to approve the minutes for the Special Board:

Prior to approval, Vice-Chairman Miller questioned the accuracy, on page 6 behind tab 6, of the spelling of Pam Bruno's last name. Vice-Chairman Miller thought that at the meeting he heard a different name. If this is the correct name great, if it is not the correct name then we should insert the correct in case somebody wants to go back later and figure out who these people are. We also talked about the due diligence; however he is not sure that we got all those questions answered. Chairman Ford asked if there were any other comments or modifications for the special board meeting held on February 3, 2010.

ACTION:

Motion was made for approval with modification by:	Commissioner Moore
Motion was seconded by:	Commissioner Puckett
Outcome:	Passed unanimously

Monthly Report from the CEO

Chairman Ford introduced Mr. Woodyard, CEO, to give his report. Mr. Woodyard recognized a few visitors that were present from the HUD Area Office in Greensboro, NC. He introduced Mr. Michael Williams, Director of the Area Office and Mr. Christian T. Stearns, Field Office Director. They are here today to give a presentation about sustainability and some of the

requirements HUD has surrounding this issue. Mr. Woodyard introduced Mr. Stearns to give the presentation. Mr. Stearns disseminated two pages of handouts to the Board. He stated that he and Mr. Williams had been given a tour of some of CHA's developments and commented that we do great work and we are known for doing great work. Therefore on behalf of HUD, we certainly appreciate all the hard work. The presentation was to provide some frame work of the sustainable communities' initiative and thoughts. Most are familiar with what sustainability means however if you are not, there is a growing consensus presently of what is referred to as a triple bottom line which means taking into account economic, environmental, and social factors into your decisions and combine those. It is not all a cost benefit analysis. It is looking at the environmental impacts not only short term but the long term and the social impacts of that development. Where those intersect we get into equality or equity issues. As an example, he refers to a person that grows up in subsidized public housing, as well as a person that grows up in subsidized homeownership all have equal opportunity to pursue the same dream and to reach their maximum potential in life. The big picture is starting to come together. In all the decisions we are making we need to start thinking far into the future, which is starting to become more incorporated into what we do. In the community development world there is more of a consensus about where we are going and what that means and how to get there. It is the intent of Secretary Donovan that the entire budget be viewed as a sustainability budget; meaning every program that we do, everything done at HUD will have elements of sustainability tied to it.

In finalizing his presentation Mr. Stearns asked for questions. Hearing none, he thanked us for our time and for inviting them. Mr. Woodyard explained that the reason for the presentation was to provide some policy framework and context for the Board moving forward with some of our funding decisions. Staff has been saying for a little over a year that the major funder of our activities from the federal government are going to require some stricter rules and regulations around sustainability. This was sort of an official heads up from our area office to let you know what that is.

Business Plan Update:

Mr. Woodyard stated that next on his agenda was to give a quick update on the project which is located at your desk; The Integration Initiative. This is an update of the Strategic Business Plan. This is moving very quickly and I have informed a few Board members prior to the meeting but I will give the entire Board the notification now. He is hopeful that we have consensus to move forward. A few weeks ago we received information from Living Cities, which is essentially a collaboration of non-profit foundations around the country. The initiative for Living Cities is to create programs around major locational policy issues. When using locational in this context he means surrounding a locality. There are major cities across the country that have been approached for this grant and this program. However, Charlotte was not in the initial running for this, but because of Bank of America's position on the Board of Living Cities we were able to

get in and the due date was extended specifically for us and we will need to get an application in by the 24th of February or the end of February. What does that mean for us locally?

The public policy issues is what Living Cities really wants to see impacted. The public policy issue for Charlotte that they are recommending and we have agreed too that needs to be addressed is essentially the locational policy for affordable housing. That is trying to address the equitable distribution of affordable housing in the Charlotte-Mecklenburg community. This is the broad public policy question that this program is intended to impact. On a program level, there are a few things that we are proposing because this is the way the funding is divided for this program. The program has for each site roughly around two to three million dollars in grant funds and roughly around maybe five million dollars for loan funds. That is not a lot of money therefore it would require some local leveraging. In Charlotte, our intention is to use the loan pool to leverage against other dollars to acquire distressed and foreclosed multi-family properties around the city (i.e. Hampton Creste). Along with the acquisition strategy you would need money for wraparound supportive services and that would be what the grant dollars would be for. One thing that was made very clear was that we needed an existing collaboration to get this moving and this had to be a collaborative effort. We left that meeting, we being the Foundation, the Housing Authority, the City, Crisis Assistance, the County, a few partners were omitted, thinking that the existing collaborative that would work would be the one that the Housing Authority was leading with other agencies and the Lee Institute was facilitating. That collaboration has on it the United Way president, Jane McIntyre, City of Charlotte Neighborhood Development Director, the Charlotte-Mecklenburg Schools, Department of Social Services, Crisis Assistance, as well as several other agencies. That collaborative has been looking at projects or initiatives that they would grab hold of as a feature of that collaborative to work on. One that is being considered is Hampton Creste and how to make that project more successful. That was the existing collaborative that our team for Living Cities thought would work. The group is proposing that the Housing Authority and the collaborative be the lead agencies for this grant/initiative. The grant and initiative also requires the participation of CDFI (Community Development Financial Institute). In this case Self-Help would be the CDFI that this collaboration would use to implement the program. This is moving very rapidly. I do not need an official vote from the Board however just consensus that we want to move forward. We believe this is an excellent opportunity for the Housing Authority and our collaborative efforts to advance the ball on acquiring property and getting affordable supportive services for the families once they are placed. Vice-Chairman Miller questioned if the deadline to apply is the 24th of this month? Mr. Woodyard responded yes. Vice-Chairman Miller then inquired when notification would be available. Mr. Woodyard stated that he was not sure about the notification. This is very preliminary since it was pushed back for us he does not think we have a date yet as to when we would hear from them. He had a scheduled meeting with them on Thursday, February 18, 2010, and he would see if he could get an answer. Vice-Chairman Miller further inquired that between now and February 24th we put in the application and then we sit back and wait, there is really nothing else to be done? Mr. Woodyard stated that not to his knowledge, maybe some

lobbying on the part of the Board members. Mr. Woodyard expanded on this. There is a two round process, if we make the short list, and I'm not sure of the timing on that, then we would be asked to step up and add a little more meat to the skeleton that put's on the table. In that case we would pull Mayor Foxx and some other stakeholders in because affordable housing is a major plank on his platform. That is our strategy if we make the short list. Chairman Ford asked for any additional questions, hearing none Mr. Woodyard continued to the next item, the 2010 Board meeting schedule.

2010 Board Meeting Schedule:

Chairman Ford wants to reiterate to the Board in an effort to make ourselves more available to the folks that we serve, we are looking at a later time to start these meetings. Roughly around 4:30 or 5:00 p.m. time frame and he is asking for consensus on either one of those or any opinions. Additionally, making sure our meetings are periodically held at the sites. He is adamant that if the residents cannot come to us, we can at least go to them throughout the year. Also this gives us an opportunity as commissioners to go to some properties which traditionally we may not voluntarily visit. Chairman Ford feels it will be a benefit both ways. Chairman Ford summarized the reasons for the request: (1) location, moving around (2) time change. Mr. Woodyard stated that the existing interval in the communities is once a quarter. Chairman Ford stated that we need to look at that, however, once a quarter in his opinion and then he cut his comment and stated he would talk to Mr. Woodyard later. He wants to look at this and increase the change where it makes sense.

Chairman Ford returned to the discussion of the question of the timeframe of 4:30 p.m. – 5:00 p.m. seeking a consensus for either. Vice-Chairman Miller questioned Commissioner Puckett as to when would most people be able to attend, he noted a concern that we have our public hearing portion at the very beginning of the meetings and that is when you want to be accessible unless we move that to later in the meeting. Commissioner Puckett commented that would be a better suggestion, which is to move it to later in the meeting, instead of at the very beginning of the meeting. Commissioner Puckett continued that if residents, which we are trying to get them to go to work, get off at 5:00 p.m. and we are just starting that could be rather pushing it. She said 5:00 p.m. should maybe be the latest that we should have meetings being respectful to all of our times, as well as our constituents. Chairman Ford stated that the general consensus would be at 5:00 p.m. and then we/Charles look at moving the public forum around slightly. Although he is not comfortable with that, his initial thought is to go to 5:30 p.m. which would keep the agenda the same but he feels that he is getting a slight bit of resistance. Therefore, he states that we move the meeting time to 5:00 p.m. and see what we can do with the agenda to make it available for any resident who would like to speak, who may be coming off of work at that particular time. Commissioner Moore questioned whether this change would take place immediately and become effective for the next Board meeting which will take place on March 16th. Chairman Ford responded yes. Mr. Woodyard, CEO, stated that a notice will be sent as a reminder. Chairman

Ford summarized that the next meeting will take place on March 16th at 5:00 p.m. and the committee meetings will remain the same.

Monthly Scorecard:

Mr. Woodyard offered to skip Item D, which is the Monthly Scorecard, unless there are questions. Commissioner Puckett commented that the utilization of Section 8 vouchers is way down and requested elaboration. Ms. Cheryl Campbell, Deputy COO, came forward to give a better explanation. She offered to start supplying this additional information with the scorecard for your review. In the Section 8 program we have several different special programs and now we have received the Boulevard Homes special relocation vouchers. Therefore, presently we have a grand total of 4,545 vouchers and of those we have utilized 4,062 with a remainder of 181 currently in lease up where the families are looking for rental property which left a balance of 302. Of the 302, 215 of those are in our special use programs designated for those regulatory items, which left a remainder of 87 available in our base number to be leased up. Then we have 54 customers currently being qualified, who have been called in and we (CHA) are checking backgrounds as well as preparing certifications, then we have 14 on hold for Ashley Park, which is our new community based project subsidy development located at Southpark and we have 23 on hold for Mill Pond. In actuality that puts us at a negative 4. Ms. Campbell stated this is a rough number breakdown. Recently we pulled 100 more people from the waiting list and will be briefing them so that they will be qualified when and if we have terminations from the program.

Commissioner Puckett continued concerning the number of vouchers already on the street is 181 and having had discussion with the Section 8 department they are incurring problems with either people not being able to maybe find a place, not having the security deposit or various different issues with that. Do you know what is going on to address those issues? Ms. Campbell responded that the security deposit is a requirement of the landlord. We have SocialServe.com which is probably our primary source for the families to find rental property in the county. Our bulletin board located at the Section 8 office is covered with advertisements for rental property. Other than that she is not sure why they would be having a terribly difficult time finding a property. Ms. Campbell stated she would try to get feedback when they start coming in.

Commissioner Puckett continued that with CHA being short 3 inspectors is that going to be a problem with getting the homes inspected in order to get customers in, in a timely manner. Ms. Campbell stated that she does not think that is a problem. Those inspector vacancies just occurred in the past 10 days and we have already taken steps to contract out that service while we are in the hiring process to avoid any delays.

Commissioner Puckett continued that she observed that our public housing Tenants Accounts Receivable (TAR) numbers are down. She asked for further clarification from Ms. Campbell. Ms. Campbell referred to the report and advised the commissioners that there are two columns

for the TAR report. One is the actual outstanding dollar to the housing authority; the other is the column that we judge performance of the managing agent or in our case our staff on the receivables that do not have pending action. For example, a promissory note may be from Crisis that they are going to get paid or the customer is in the eviction process and we probably are not going to get that money. Therefore, when we look at those numbers we are well within our benchmark. It was noted that we had an error occur at First Ward, which is managed by a private sector, third party. She explained that the report showed 62% and when we called to follow up on that they have recently upgraded to a new model in Yardi and they discovered that Yardi had pulled in some incorrect data and they adjusted that number to an 82%. Which is still slightly low but she feels the feedback we are receiving from the third party agents are that after the holidays some people were having some difficulty paying their rent. Commissioner Puckett thanked Ms. Campbell for the explanation.

Chairman Ford wanted to acknowledge Ms. Cheryl Campbell, Deputy COO. We are currently in the search process for our COO position and she is wearing two hats at this time. So to the fellow commissioners I want to make sure that we acknowledge her and thank her for her double duty. Chairman Ford thanked her for her hard work and continued support in this operation.

Presentation of the 2010-2011 Operating Budgets:

Mr. Woodyard introduced Mr. Ralph Staley, CFO, to present the operating budget. This will replace the document that was received at the committee meeting. Mr. Staley disseminated the final budget document. Mr. Staley explained that he would like to go through a few things and he realizes that time is of the essence. There is a brief letter, which talks about program budgets and the summary line item budget that we have used in the past. There are also highlights of some increases within the budget and then a brief discussion of our strategic direction. Which brings you back to some general information on the next few pages, which talk about the budget. Mr. Staley instructed the commissioners to turn behind Tab 1, he then briefly walked the commissioners through with an explanation. Located behind Tab 1 is the program budget for the Executive Office and the program areas within the Executive Office and there is information on each item. This has been laid out for the mission for that office, as well as a little information about the operating budgets and the number of full-time equivalents that are in that area of our program. Then we have laid out some highlights from the current year and some goals that are being anticipated based on the budget that we have requested. Then some service challenges that we perceive. The next page shows an organizational chart of the Executive Office, and then there is a summary of the financial data on the next page. The last page in that section shows you the performance measures and the targets/achievements that the Executive Office intends to accomplish based on the funding requested for the program. Referring to Tab 2, Mr. Staley indicated that is Finance Administration, which has the same thing, Tab 3 is the different programs within Operations which is where the largest number of our employees are. Then Tab 4 is the Real Estate Department and that portion you will see that is the summary of the

programs, the dollars, FTE's and what we intend to accomplish in performance measures within the organization. Lastly Tabs 5 – 12 are the replay of what was handed out at the committee meeting. We would like to ask the Board to set a date to go through this document. He asked that commissioners give him a call at anytime to talk about what is in the document before that date. We will have this document available at all the public locations and the other sites like the main library, as well as a copy being available in the Finance department. Mr. Staley asked for any questions at this moment, and then what is the Boards pleasure for a meeting to discuss the budget. Chairman Ford thanked Mr. Staley for this format. When he was appointed to the Board about a year ago he was a little disappointed, but he can truly say that CHA has made a tremendous effort in providing more clarity and substance behind our budget and he wants to say thank you for that. Also Chairman Ford thanked Mr. Woodyard as well for making the recommendation for the program format for the budget. Chairman Ford suggested that we do small groups and send out a few dates and see if that fits in our calendar. This is his initial thought, he asked if any others commissioners have any other thoughts. If you could send out 2 or 3 dates with various times, and if we could get 2 or 3 at a time, he feels that would make for better use of time. Mr. Staley stated he would try to coordinate those over the next few weeks. Commissioner Jones reminded the Board that one of the things we want to adopt is the approval of the public hearing on this budget. Therefore we probably need to have those meetings before the March 16, 2010 Board meeting which will put us in a position to adopt the budget if need be. Mr. Staley responded that his intention is to get something out to the commissioners to meet before the committee meetings, which are scheduled for March 3rd, or the week of the committee meetings.

Budget to Actual Reports – 12/31/2009:

Mr. Woodyard, CEO, announced to Chairman Ford that Mr. Staley, CFO, had the remaining four items. Mr. Staley, CFO, explained that he would entertain any questions, but that items 5.F (Budget to Actual Reports-12/31/2009), Item 5.G (Cash and Balance Restriction Report-12/31/2009) and Item 5.H (Land Sales Proceeds Detail-12/31/2009) were handed out at the Finance and Audit Committee in the interest of time , so if anyone had any questions to please get with him. However at this point he has not had any questions but if someone has a question today, his office door and telephone are still wide open for questions. Chairman Ford stated that he has some questions but he will make arrangements with him to discuss at a later time.

Cash and Balance Restriction Report – 12/31/2009:

Mr. Staley, CFO, explained that items 5.F (Budget to Actual Reports-12/31/2009), Item 5.G (Cash and Balance Restriction Report-12/31/2009) and Item 5.H (Land Sales Proceeds Detail-12/31/2009) he will entertain any questions, however in the interest of time these were handed out at the Finance & Audit Committee; if anyone has any questions, to please get with him. However up until this point he has not had any questions but if someone has a question today he will entertain it or his office door and telephone are still wide open for questions. Chairman Ford

stated that he has some questions but he will make arrangements with him to discuss at a later time.

Land Sales proceeds detail – 12/31/2009:

Mr. Staley, CFO, explained that items 5.F (Budget to Actual Reports-12/31/2009), Item 5.G (Cash and Balance Restriction Report-12/31/2009) and Item 5.H (Land Sales Proceeds Detail-12/31/2009) in the interest of time were handed out at the Finance & Audit Committee indicating if anyone had any questions, to please get with him. However up until this point he has not had any questions but if someone has a question today he will entertain it or his office door and telephone are still wide open for questions. Chairman Ford stated that he has some questions but he will make arrangements with him to discuss at a later time.

Notification of Administrative Budget Changes:

Mr. Staley explained that this item is located behind Tab 3. This is an item that we need to bring to the Board and make a part of the minutes that we have presented to the Board on the administrative budget changes that have occurred in the last quarter. Mr. Staley asked if there were any questions related to those administrative budget changes. Behind Tab 3, on the third page, as part of our budget we adopted, we are to bring any administrative changes to the Board for notification. Chairman Ford thanked Mr. Staley for the information, and then moved on to the Consent Agenda.

Consent Agenda Action Items:

Chairman Ford explained that these are the Consent Agenda Action **Items 7.A – 7.G**. At this time he requested a motion to accept those items as presented.

ACTION:

Motion was made for approval:	Commissioner Moore
Motion was seconded by:	Commissioner Puckett
Outcome:	Passed unanimously

Business Agenda Action Items:

8.A Loan Commitment: Belmont Walk Apartments (1810):

To approve Resolution no. **1810** for the conditional commitment of up to \$1,450,000 in CHA MTW funds for the development of the Belmont Walk Apartments.

Mr. Frank Narron, Director of Strategic Initiatives, came forward with a brief explanation of this item. He explained that Belmont Walk is the 24 apartment units proposed to be built in Belmont in partnership with the Salvation Army. The significance of the site, which is currently owned by the housing authority, is that it is in close proximity to the Boys and Girls Club, which would be a big part of providing services. It has previously

been discussed at Development Committee. There has been a lot of discussion surrounding the Belmont Neighborhood and the concept of introducing additional very low income units into that neighborhood. The people involved would be graduates from the Salvation Army's program. One thing we were asked to do was to look at other assets and as Mr. Staley pointed out in front of Tab 4, you see the result of that search for alternative sites currently owned by the housing authority. CHA has located Krefeld which is at the corner of Krefeld and Margaret Wallace behind CarMax off of Independence Blvd. It is 9.6 acres, however there is only roughly 5 – 5 ½ buildable acres. It is zoned for a higher density than we had been anticipating for this project. It was valued at \$980,000 a few years ago however, it may be below that amount at this point. It is located in District 5. The community space that would be accessible to us there, again for the provision of those services, would be Thompson's Child and Family Focus located just down and across the street from the property. We have determined that there were adequate amenities in the area to provide for such a site but it would be putting a lower number of units on the property.

Commissioner Moore questioned what were the logistics as far as access to transportation. Mr. Narron responded that there is bus service, but it actually comes to the corner of Margaret Wallace and Independence at this point. We may be able to work with CATS for another stop that would potentially be at the corner of Krefeld. Commissioner Moore continued asking do you know the distance of the proposed site, is it walking distance from where the site is to the bus. Mr. Narron responded roughly ¼ to ½ a mile. Also how pedestrian friendly is it? Mr. Narron stated that it is not. He does not think there are sidewalks the entire distance. Commissioner Hill questioned what are the terms to graduate from this program. Mr. Narron stated they have been in the program at the Salvation Army and are ready to move into permanent housing, these are people who were formerly homeless. Mr. Narron continued that they have been through some programs and have been determined at a level that they could live in independent housing. However they will continue to get very intensive services. Commissioner Jones asked have we actually talked with the folks at Thompsons about making that space available. Mr. Narron commented yes they are amenable but we have not talked in detail but they were open to discussion. Vice-Chairman Miller questioned getting to the big picture of the community wide strategy around transitional housing for families, which he thinks we really have one, and he feels that he was in on the original discussions on this location with the Salvation Army when we were recognizing that Hall House would be closed. We then started to look at ways to deal with it and provide some alternatives. This is an idea, although he is not saying it is a bad idea, but is it the best idea. He thinks there are more people and talks that need to be had in order to decide whether this is the right way to address the need and the continuum for short term transitional housing. He would like to suggest, we already own the land, to my understanding there really is no

time pressure, but for the fact the shelters are full. He would rather see us have a larger community dialogue around this part of the continuum and to understand where we need to participate. At the end of the day we may still come back to this, but this is a one off to me without a lot of planning around it. Vice-Chairman Miller is suggesting that we delay this project until such time as there is more dialogue in the community.

Commissioner Hill gave as an example, does this conflict with Project HOPE. Mr. Narron responded that he does not know if there is a conflict with this program and he was not familiar with Project HOPE. Mr. Woodyard explained that he was familiar with Project HOPE, however the issue for him is specifically what would be the wraparound services and who would provide them. Mr. Woodyard continued that he thinks this is an important issue for this site. Mr. Woodyard thinks that Vice-Chairman Miller is correct. He backed up to state that we do have a supportive housing policy that does address on a case by case basis some of the soft ROI issues that we were trying to get at. Mr. Woodyard does agree that we probably need to take a deeper look at the other initiatives in the community surrounding this issue. Then decide how whatever we do works with that. He still supports the original direction from the Board that he feels that he and senior had to get involved in supportive housing. However the idea of where it is located and how that works with others who are also in this business and local legislative bodies he feels is something we probably need to spend a little more time on and he is willing to do that. Mr. Woodyard is not sure what its means to defer this item altogether but he does not think it will cause a critical problem for us. Mr. Narron responded that not immediately, but we have applied for some funding and for clarification, this was not asking for a final approval of a budget, it was asking for a conditional commitment of MtW funding that would be consistent with the application that we make. Vice-Chairman Miller stated that is where he gets into the global strategy because we talk about the fact that we may create some sort of rental subsidy program and if you do the math with \$1,450,000 of MtW funds you could do a lot of rental assistance in existing housing for families, transitional type things, like what WISH is currently doing. This is where Vice-Chairman Miller would like to weigh the pros/cons of what we are really trying to do and understand the cost benefit analysis of how we can best use our resources to help these families. This is a discussion he thinks we need to have.

Chairman Ford's response was that we can have that discussion, however for right now you had a suggestion and if you want to frame that in the form of a motion I will get the Board to act on it and then we can add some substance to what you would like to see happen by way of an analysis on this project vs. rental assistance program in which you have been so passionately speaking about.

Vice-Chairman Miller made a motion that we postpone the discussion on this resolution and send it back to committee for further discussion next month. Commissioner Sumter

asked for clarification on which resolution was that. Vice-Chairman Miller responded Resolution No. **1810**. Commissioner Moore then added that it would be put on the Development Committee and Chairman Ford agreed however there was a motion on the floor.

ACTION:

Motion was made by:	Vice-Chairman Miller
Motion was seconded by:	Commissioner Hill
Outcome:	Passed

Chairman Ford summarized that it has been properly moved and seconded that we table Business Action Item 8.A for the Belmont Walk Apartments. Hearing no further questions the motion carried.

8.B Loan Commitment: Ballantyne Crossing Apartments (1809):

To Approve Resolution No. **1809** for the conditional commitment of up to \$1,500,000 in CHA MtW funds for the land acquisition and the corresponding development of the Ballantyne Crossing Apartments.

Mr. Frank Narron, Director of Strategic Initiatives, remained at the podium. Again this is an additional commitment of MTW funds to be consistent with the applications that have been filed for funding. This was discussed at the Development Committee. It is going to be somewhere between 80 – 100 units, tax credit deal with 30% Section 9 units. We are currently in for rezoning; we have a consultant relationship with a developer who is in the process of handling that rezoning. Community meetings have been scheduled and there was a great deal of discussion at the Development Committee about the relationship with the consultant/developer and under what circumstances we should move forward with the rezoning/development. Commissioner Jones questioned if a protest petition had been filed with the rezoning. Mr. Narron responded that he does know if it has been filed but he assured Commissioner Jones that it certainly will be. Commissioner Jones pointed out that we have always retained the option to do this as an outright purchase. Mr. Narron's response was absolutely. Commissioner Jones continued that our not moving forward still doesn't commit us to any sort of venture with the folks who brought us the deal. Mr. Narron concurred.

Mr. Woodyard, CEO, stated that he was glad that he brought that up because he wanted to make sure that we capture and come away from this meeting with the consensus of the Board. Is: your preference to pursue an outright sale and that we deal with the owners of the property. We are not entertaining a joint venture at all at this point; we are dealing with an outright sale. Mr. Narron stated that we are currently in a relationship with this

entity who had proposed to be our joint venture partner, where by they are providing the consultant services for the rezoning. However he is not clear about how that relationship is to be maintained. Commissioner Moore questioned is he to understand that they are the consultants on the rezoning, but after this process happens what is our relationship moving forward, can we use them just for this piece, then we can find another developer partner when we get pass this rezoning. Mr. Narron responded that we are at this point only obligated to compensate them for their services and there expenses associated with the rezoning process. He wants it clear that we are continuing with that process. Commissioner Jones stated that his only response to Mr. Narron is when he asked the questions about ownership he assumed that we would continue a fee service relationship with the folks who brought us the deal for the purpose of getting the rezoning completed. Commissioner Jones did not assume we were going to pull the plug on them in that process. Vice-Chairman Miller added that he thinks in your presentation you said 80 - 100 units; however he does not know where the 80 number came, from he has always been told 100 units. Vice-Chairman Miller stated that everything he has seen says 100 units. Is it possible that we will not get 100 units on the land? Mr. Narron answered yes. Vice-Chairman Miller continued the land cost would stay the same. Mr. Narron responded no. The land cost would change and we have not concluded all negotiations with the current owner. He has accepted that the price would change however he is not clear because we don't know how many units there will be if he expects that change to be pro-rata. Vice-Chairman Miller continued that we really do not know what the price of the land will be. Mr. Narron states that we do not. Vice Chairman Miller's next question is regarding the actual cost of the land because when this was discussed in committee we stated 100 units at \$1,500,000 at \$15,000 per unit which is a pretty big number compared to what we typically do. Then the next thing that came up after that was the discussion of land preparation cost. I have not seen the site but have been told that there might need to be some more dirt moved around the site than what we are accustomed to. Therefore the next question becomes, what is the developed site cost per unit. Do we have any estimation of that? Has anybody done any cut and fill estimations. Ok, so we don't really know what that is going to be, so my point is I don't know that we really have our hands around this thing well enough. This is a site and a location that we like but I'm not really sure that we know what the ultimate cost is going to be and I'm really nervous about that and consequently not sure about moving ahead at this point in time.

Commissioner Jones mentioned that he recalled that our obligation to purchase was contingent on rezoning; is it contingent on rezoning to 100 units? Mr. Narron stated that he would need to go back and read the document. Commissioner Jones continued that presumably it were and we had to give up some units, if that is the condition, then we have the ability to go back and renegotiate whatever price we can renegotiate.

Mr. Narron responded, absolutely. Commissioner Jones continued we could move forward or not move forward, which is the point he was going to make.

Synopsis: Chairman Ford stated as a final note for wrap-up as we proceed with the action to approve Resolution no. 1809 for a conditional commitment up to \$1,500,000 it is this Board's guiding principles that we de-concentrate affordable housing in the City of Charlotte and it is also our responsibility to provide due diligence on doing so in South Charlotte, which we all know is a more expensive place to build, but what we don't know exactly is what that looks like at this moment. Therefore, his understanding is that we are going to move forward, which is what his mind set is, with up to \$1,500,000 and if we can get it cheaper, we would love obviously to be able to do so. Additionally, in making sure that the units fit within some type of reasonable financial perimeters but he wants to make sure that this Board is comfortable leading the way on affordable housing in the City of Charlotte in making sure we do not concentrate it. South Charlotte is a very nice place but again he does not know whether or not it is going to be financially feasible for us to do so but as a commissioner he is very interested in taking a look to see what it looks like. Chairman Ford thought this would be the final comment however two more statements/questions are being raised.

Mr. Woodyard, CEO, asked if there is a threshold level of due diligence and a timeline surrounding it that the Board wants to see. Chairman Ford responded that we have typically relied on staff for that, obviously keeping in mind with the rezoning dates, there is an initial hearing, then a final vote. He thinks that is at least a four week interval between the initial and the final, so we have some time to provide some due diligence. However he does want to give staff the authority to continue to proceed forward with at least looking at that because in my mind, if we do not approve this then we essentially kill the deal. Mr. Woodyard followed with a mind toward understanding what the total land cost or land development cost would be. Chairman Ford agreed.

In finalization, Mr. Narron wanted to point out that we have filed a preliminary tax credit application and we will have to supplement that with a final application in May 2010. Also, as it relates to the location of the property and the high cost, the Housing Finance Agency is in the second year of a program that would provide a basis boost similar to that for a qualified census tract or a difficult to develop area that would pay for approximately \$700,000 of the land cost or the development cost associated with the land.

Vice-Chairman Miller followed that he is not opposed to what we are trying to do but he does have difficulty moving ahead, authorizing something we don't really understand what it will cost and what we are going to end up with and there are some agreements apparently with our partners that were not real clear in the last committee meeting. It is

starting to become clearer but he does not know whether we have to do this today or whether we can put it off until we have a bit more information. However his inclination would be to postpone it until we have more information because he does not feel that he has enough information to make an informed decision.

Commissioner Jones agreed that was a point well taken, however he wants to reiterate that this commitment up to \$1,500,000 is not the final vote on the approval for this particular process but it does give staff the authority to continue to look at this process, to see if this is something that we want to do. Commissioner Hill injected to look at it but not to commit. Chairman Ford stated yes, this is the way our development process is. We do not have a one vote that would commit us to a particular development process but again he will reiterate that he is very serious and committed to making sure that we do not concentrate affordable housing in this city and we look at every available opportunity that we can to spread it around. With that being said he would like to entertain the approval for Resolution no. **1809** for the conditional commitment up to \$1,500,000 in CHA/MtW Funds for the land acquisition and the corresponding development of the Ballantyne Crossing apartments. Commissioner Jones interrupted and reminded the chairman that someone other than himself needs to make the motion. Commissioner Moore stated he would make the motion.

ACTION:

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

Chairman Ford stated that the next three business agenda action items: 8.C, 8.D & 8.E are procurement items. Mr. Staley, CFO, came forward to give explanations.

8.C Approve Procurement Contract for Electrical Upgrade – Fast Drywall:

Approve contract for electrical upgrade at Strawn cottages in order to install water heaters from Fast Drywall for \$13,850.00.

Mr. Staley gave the following explanation. This is to approve a contract for an electrical upgrade for Strawn cottages in order to be able to install the water heaters. Fast Drywall has given us a bid of \$13,850 and we had four bids however this one was the lowest qualifying bid. They have previously done work with the authority over \$100,000 within the last 12 months, therefore this contract must be approved by the Board. Chairman Ford asked if there were any questions for Ralph. Commissioner Puckett inquired what made this contract is a Section 3 and a MWBE vendor. Mr. Steve Lamphere, Procurement Director, came forward and stated that he is an MWBE vendor, Latino, and he is a Section 3. He has a few workers that are employed with him that are Section 3.

Chairman Ford then asked for a motion for the approval of this procurement action.

ACTION:

Motion was made by:	Commissioner Moore
Motion was seconded by:	Commissioner Puckett
Outcome:	Passed unanimously

8.D Approve Procurement Contract – Service Tech:

Approve contract for vacancy preparation services at Edwin Towers, Autumn Place and Parktowne Terrace from Service Tech for a total of \$2,100.00.

Mr. Staley stated this item is related to vacancy preparation services which we have done at our sites. Service Tech is one of our better vacancy prep vendors and over the time period of the last year they have done over \$100,000.00 worth of work with the authority. Therefore these five purchase orders listed on the top of page 18 need Board approval and we are asking they all be approved at the same time since they are all the same vendor.

Commissioner Moore commented that he noticed that this is also a MWBE, woman owned firm. Mr. Lamphere, Procurement Director, responded that no, it is an African-American. Commissioner Puckett commented that she would like to see our residents trained in this area because this is over \$100,000.00 that could have gone to our customers to help them move toward self-reliance, so that may be something we could look at. Commissioner Moore asked are we reaching out to this particular company to try to get them into Section 3 compliance. Mr. Lamphere responded that this particular contractor has done roughly 150 -200 jobs this year so his work is very fragmented but with some of our Section 3 that we are trying to accomplish, some of the larger contractors that are coming in to do our bidding, we would like to offer them an opportunity to put together some training programs for our residents.

ACTION:

Motion was made by:	Commissioner Puckett
Motion was seconded by:	Commissioner Moore
Outcome:	Passed unanimously

Commissioner Jones asked Mr. Staley, CFO, if when we sign the next contract for three units for next week do we have to do this all over again. Mr. Staley responded yes. Commissioner Jones would like to offer that we exclude unit prep from the procurement with the assumption that this is something, particularly with our better contractors, we will be doing this over and over. Chairman Ford stated that he thought this was part of

one of the exceptions in our procurement policy. Mr. Staley responded that the vacancy prep is not. The standard services i.e. lawn mowing and that type is in the exempt category. This is actually a category of construction and vacancy prep following that same area and that was not one that we approved for exemption. Commissioner Miller suggested that we have a discussion in Finance & Audit Committee about our procurement policy in an effort to refine it to be sufficient for everyone. He feels that there are a lot of things that maybe, like this, that we could work out so that it would not be difficult for you or us, however we would still accomplish our goals. Chairman Ford stated that Commissioner Jones is currently Chairman for Finance & Audit Committee and he would appreciate him responding to this statement for Commissioner Miller at a later time.

8. E Approve Procurement Contract - Lee Institute:

Approve contract for Consulting Services for the Management and Facilitation of the CHA Collaborative Partners and Advisory Council for Lee Institute for \$36,000.000 plus expenses.

Mr. Staley stated that this item is coming before the Board because in the last year the Lee Institute has exceeded the \$50,000.00 threshold for services. This item was mentioned earlier. This is the collaborative that Mr. Woodyard mentioned as a part of the Living Cities. They are currently a part of that process however this is an extension of that contract. Commissioner Puckett wants to know is there anyway to incorporate the Section 3 or the MWBE into this group because she noticed that this groups MWBE is zero percent. Commissioner Jones responded that this is a non-profit, it is not owned by anybody. Commissioner Miller questioned the last page which mentions the intent of the collaborative and his question gets into what is going on with community, he is aware that there are a lot of different people working on a lot of different things. His understanding is that the Lee Institute is involved in a lot of those discussions at the County level and City level, and the question is are the kind of things we are doing already being done or contemplating being done or are we doing something that somebody else is doing. He thinks we should be a player but he also doesn't think we need to be doing something that is already taking place in other venues.

Mr. Woodyard, CEO, was more than happy to answer the question. Without being too grandular on this, there are areas that we occupy that are different than others. You may be referring to the 10-year plan which looks at the homeless population but the collaborative looks at specific projects that involve people that are formerly homeless, who look at initiatives that are specific to real estate deals or other things that the collaborative thinks that it can be involved in including Living Cities. He thinks they are related because everything in affordable housing is related but there are appropriate niches. Additionally, in response to that question it is his understanding from this Board

that we were not expected to be players in this; we were expected to be leaders in this and this is an effort to lead a collaborative and be leaders in this area. Chairman Ford thanked Mr. Woodyard for clarification and asked if there were any other questions. Hearing none he entertained a motion to approve the contract for consulting services.

ACTION:

Motion was made to approve:	Commissioner Moore
Motion was seconded by:	Commissioner Jones
Outcome:	Passed unanimously

Chairman Ford made a quick note of personal privilege to the Ballantyne Crossing project. When he first came on board with the Charlotte Housing Authority he was given a small manual named the “Mixed-Income Housing Myth and Fact” distributed by the ULI (Urban Land Institute). If you have not read this it is a great tool to help explain some of the misconceptions and in his opinion some outright lies about the way that we do business. The Charlotte Housing Authority does business in a new/different way, in a responsible way. He wants to make sure whether we move forward with the project or not, that the community knows the great work we have accomplished and the great work that we are going to continue to do to lead in this effort in this city.

He then asked for a motion to suspend the regular Board meeting to go into the Horizon Development Meeting. Commissioner Moore made a motion to suspend the CHA meeting and go directly into the Horizon Development Committee meeting.

ACTION:

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

Chairman Ford then requested a motion to adjourn Horizon Development Properties, Inc. and go back into open session of the CHA Regular Board Meeting.

ACTION:

Motion made by:	Commissioner Puckett
Motion was seconded by:	Vice-Chairman Miller
Outcome:	Passed unanimously

A motion was then made to close the CHA regular Board Meeting to go into Executive Session for the purpose of discussing legal matters.

*Regular Board Meeting
February 16, 2010*

ACTION:

Motion was made by:

Commissioner Moore

Motion was seconded by:

Vice-Chairman Ford

Outcome:

Passed unanimously

Minutes respectfully prepared by:

Barbara G. Porter

Executive Assistant to the CEO

Horizon Development Properties, Inc
Board of Directors
AGENDA

Southside Homes
3400 Griffith Street
Charlotte, NC 28203

March 16, 2010

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 February 16, 2010 (Tab 2)*
3. **Business Agenda Item:**
 - A. Budget Amendment: Charlottetown Terrace **(p.1)**
 - B. Budget Amendment: Horizon Development Properties, Inc. **(p.2)**
 - C. Budget Amendment: McAlpine Terrace /Glen Cove Apartments Capital Project **(p.3)**
 - D. Budget Adoption: 2010-2011 Horizon Development Properties, Inc. Budget **(p.5)**

Business Agenda:

Business Agenda item for the March 16, 2010 Regular Board Meeting of the Horizon Development Properties, Inc. Board of Directors.

**3.A Horizon Development Properties, Inc.
Budget Amendment: Charlottetown Terrace**

<p>Action: Approve the Amendment and Removal of a Development Budget for Charlottetown Terrace in Horizon Development Properties, Inc.</p>

Staff Resource: Ralph Staley

Strategic Business: Finance and Administration

Strategic Goal: Attain Long- Term Financial Viability

Explanation:

In August and September 2009, loans totaling \$320,000 were made to Horizon Development Properties, Inc. for pursuit costs for the rehabilitation on the Charlottetown Terrace Apartments. Staff now knows that going forward this project will be housed in CHA not Horizon. Therefore, in this amendment staff, is requesting permission to rescind the acceptance of the loan and remove the CFRC Development budget for the Charlottetown Terrace project.

Exhibit A shows a reduction of \$320,000 in Proceeds from Notes, Loans, Bonds and a \$320,000 reduction in the Administrative category.

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 item at its meeting March 3, 2010.

Attachment:

Amended Charlottetown Terrace CFRC Development Budget

RECORDING OFFICER'S CERTIFICATION

I, Barbara Porter, 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 March 16, 2010.

(SEAL)

BY: _____
Barbara Porter, Secretary

3.B Budget Amendment: Horizon Development Properties, Inc.

Action: Approve an Amendment of the Horizon Development Properties, Inc. Budget for the Fiscal Year Ending March 31, 2010.

Staff Resource: Ralph Staley

Strategic Business: Finance Administration

Strategic Goal: Attain Long-Term Financial Viability

Explanation:

McAlpine Terrace is currently experiencing water penetration and moisture issues due to an aging roof and cracking in the Exterior Insulation Finishing System (EIFS), which is causing interior damage. In addition, some moisture migration is a result of the need to re-caulk the window systems. Funding for these improvements will come from reserves at the McAlpine property that are no longer needed for real estate taxes and insurance. Staff has estimated the costs to be \$216,307. Exhibit A shows Other Sources - Fund Balance Appropriated and expenditures in Other Costs - Operating Transfers Out - McAlpine/Glen Cove Capital Project in the amount of \$216,307.

During year end review, staff found that operating budgets for Hampton Creste Apartments and Mill Pond Apartments were not included in the Horizon Development Properties, Inc, budget. (Horizon). These properties were purchased by Horizon in December 2009 and January 2010, respectively. Both properties have continued on-

going operations uninterrupted since the purchases were made. Total Revenue and Other Sources from Hampton Creste is \$342,512 with corresponding Total Expenditures of \$342,512. Total Revenue for Mill Pond Apartments is \$219,897 with corresponding Total Expenditures of \$219,897. The budget for both properties showing major categories is show below.

	Hampton Creste <u>Apartments</u>	Mill Pond <u>Apartments</u>
Tenant Rents	\$200,886	\$209,312
Other Revenue	13,078	10,585
Fund Balance Appropriated	<u>128,548</u>	<u> </u>
Total Revenue and Other Sources	342,512	219,897
Administrative	98,350	45,539
Utilities	43,486	17,103
Ordinary Maintenance	133,410	19,018
Other General	<u>67,266</u>	<u>138,237</u>
Total Expenditures	\$342,512	\$219,897

Exhibit A shows Total Revenue and Other Sources and Total Expenditures of \$778,716.

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 item at its meeting March 3, 2010.

Funding:

Fund Balance Appropriated

Attachment

Amended Horizon Budget

RECORDING OFFICER'S CERTIFICATION

I, Barbara Porter, 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 March 16, 2010..

(SEAL)

BY: _____
Barbara Porter, Secretary

3.C Budget Amendment: McAlpine Terrace /Glen Cove Apartments Capital Project

Action: Approve an Amendment of the McAlpine Terrace/Glen Cove Apartments Capital Project Budget.

Staff Resource: Ralph Staley and Cheryl Campbell

Strategic Business: Finance and Administration/Capital Assets

Strategic Goal: Attain Long Term Financial Viability

Explanation:

McAlpine Terrace is a 113 unit, affordable senior living facility located in Southeast Charlotte currently owned by Horizon Development Properties, Inc. (Horizon) The property was built in 1988/1989 and leased to the Authority by Wachovia Bank (originally First Union Bank) on a 15-year lease which expired in 2005. At the end of the lease the Authority was presented with the opportunity to acquire the property. Horizon acquired the property in October 2006.

McAlpine Terrace is currently experiencing water penetration and moisture issues due to an aging roof and cracking in the Exterior Insulation Finishing System (EIFS), which is causing interior damage. In addition, some moisture migration is a result of the need to re-caulk the window systems. Staff hired Denton Enterprises to complete an assessment (including infrared analysis) and prepare design documents to resolve the current moisture issues at the property.

Staff has completed the procurement for the items marked with an “*” by receiving three competitive bids, verifying licenses and checking references (including the BBB & HUD’s disbarment sites). Funding for these improvements will come from reserves at the McAlpine property that are no longer needed for real estate taxes and insurance. Capital improvements needed as summarized below.

Capital Item	Lowest Bid	Base Bid	Owner’s Contingency	Total Capital Request
Roofing Services*	Radco Const.	\$44,130	\$4,413	\$ 48,543
Exterior System Repairs & Window Caulking*	Charlotte Paint II	79,977	7,997	87,974
Building Interior	TBD	58,900	5,890	64,790
Interior Flooring	TBD			15,000
Total Capital Request				\$216,307

Staff has estimated the total cost of the project to be \$216,307 with a 10% contingency; however unforeseen costs may arise as work on the exterior progresses. Exhibit A shows Other Sources, Operating Transfer In – Horizon Development Properties, Inc. in the amount of \$216,307 and the corresponding expenditures are in the Capitalized Items line item.

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 item at its meeting March 3, 2010.

Section 3/MWBE Consideration:

Radco Construction: is a City certified MWBE; Section 3 – none, current positions needed are filled

Charlotte Paint II: is a City certified MWBE; Section 3 – none, current positions needed are filled

Funding:

Appropriated Fund Balance.

Attachment:

McAlpine/Glen Cove Capital Project Budget

RECORDING OFFICER'S CERTIFICATION

I, Barbara Porter, 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 March 16, 2010.

BY: _____
Barbara Porter/Secretary

3.D Budget Adoption: 2010-2011 Horizon Development Properties, Inc. Budget

Action: Approve the adoption of the Horizon Development Properties, Inc. Budget for the Fiscal Year Ending March 31, 2010.
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Staff Resource: Ralph Staley

Strategic Business: Finance and Administration

Strategic Goal: Attain Long Term Financial Viability

Explanation:

The Board of Horizon Development Properties, Inc., acting through its delegated officers, has the primary responsibility for ensuring that the organization is operated in an efficient and economical manner and that its financial integrity is maintained. This responsibility is exercised through the review, approval and control of the Operating Budgets. This Board Agenda Item is the formal action related to the Board adopting the FY2010-2011 Horizon budget as shown in Exhibit A.

Also as a part of this budget adoption 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 is 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 CFO met with the Commissioners to discuss the 2010-2011 Budget. Commissioner questions were recorded and answers to those questions were given to the Commissioners at the Finance & Audit Committee meeting. The CFO requested that Commissioners ask any additional questions before the Board meeting on March 16, 2010.

Attachment:

2010-2011 Horizon Development Properties, Inc. Budget

RECORDING OFFICER'S CERTIFICATION

I, Barbara Porter, the duly appointed secretary of the Horizon Development Properties, Inc., do hereby certify the above item was properly adopted at a regular meeting held March 16, 2010.

(SEAL)

BY: _____
Barbara Porter/Secretary

**MINUTES OF HORIZON DEVELOPMENT PROPERTIES, INC.
BOARD MEETING HELD ON TUESDAY, FEBRUARY 16, 2010**

Regular Meeting:

Additions to the Agenda:

Chairman Ford asked if there were any additions to the agenda, hearing none he asked for a motion of approval.

ACTION:

Motion was made by:	Commissioner Moore
Motion was seconded by:	Commissioner Puckett
Outcome:	Passed unanimously

Consideration for approval of the minutes for:

- Meeting held on *January 19, 2010*

ACTION:

Motion was made by:	Vice-Chairman Miller
Motion was seconded by:	Commissioner Puckett
Outcome:	Passed unanimously

Business Agenda Item:

3.A Horizon Collection Loss Report for the Quarter Ended 12/31/09

Approve the write-off of \$11,558.11 in accounts receivable due to collection losses for tenants vacated through 9/30/09.

Commissioner Jones interrupted to advise Chairman Ford that this report was received by the Finance and Audit Committee and accepted at that time for the Loss Collection Report for Horizon. Chairman Ford responded dully noted he then asked for a motion to accept this report.

ACTION:

Motion was made by:	Vice-Chairman Miller
Motion was seconded by:	Commissioner Puckett

Commissioner Sumter requested to make the following comment for a point of information. Is there a legal requirement that we identify by name the tenants who were evicted? Mr. Staley responded that to his knowledge there is not a legal requirement.

However past Board members have requested that this information be included. Once comments were completed the finalization of the motion continued.

Outcome: Passed unanimously

Note: Following the final vote Commissioner Sumter asked if it would be appropriate for the Finance & Audit Committee to review the question of whether the individual names need to be listed on this report. Chairman Ford agreed that this request to be discussed in that meeting.

In conclusion, Chairman Ford requested a motion to adjourn Horizon Development Properties, Inc. and return to the regular CHA Board of Commissioners meeting.

ACTION:

Motion made by: Commissioner Puckett

Motion was seconded by: Vice-Chairman Miller

Outcome: Passed unanimously

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

**CORE Programs, Inc
Board of Directors
AGENDA**

*Southside Homes
3400 Griffith Street
Charlotte, NC 28203*

March 16, 2010

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 August 18, 2009*
3. **Business Agenda Item:**
 - A. Budget Amendment: C.O.R.E. Programs, Inc.
 - B. Budget Adoption: C.O.R.E. Programs, Inc. Budget

Business Agenda:

Business Agenda items for the March 16, 2010 C.O.R.E Programs, Inc. Board of Directors Meeting.

3.A Budget Amendment: C.O.R.E. Programs, Inc. (C.O.R.E)

Action: Approve an Amendment of the C.O.R.E. Budget for the Fiscal Year Ending March 31, 2010.

Staff Resource: Ralph Staley

Strategic Business: Finance and Administration

Strategic Goal: Attain Long – Term Financial Viability

Explanation:

The CHA has a case management program for tenants at First Ward. Funding for this program has historically been paid from the interest payments received on the construction loan for the First Ward property. This fiscal year the revenue needed to fund the program is \$305,301. The available interest from the construction loan totals \$229,075. Therefore, an additional amount of \$76,226 is needed to fully fund the program. This additional funding comes from C.O.R.E. C.O.R.E.'s purpose is to assist affordable housing residents in achieving economic independence through educational and other supportive services.

Exhibit A shows the Appropriation of Fund Balance in Other Sources of \$76,226 and the corresponding expenditure in Operating Transfer Out- AMP of \$76,226.

Also as a part of this budget 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 is 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 item at its meeting March 3, 2010.

Funding:

Fund Balance Appropriated

Attachment:

C.O.R.E. Programs, Inc. Budget

RECORDING OFFICER’S CERTIFICATION

I, Barbara Porter, the duly appointed Secretary of the C.O.R.E. Properties, Inc., do hereby certify that the above item was properly adopted at a regular meeting held March 16, 2010.

(SEAL)

BY: _____
Barbara Porter, Secretary

3.B Budget Adoption: C.O.R.E. Programs, Inc. Budget

Action: Approve the adoption of the C.O.R.E. Programs, Inc. Budget for the Fiscal Year Ending March 31, 2011.
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Staff Resource: Ralph Staley

Strategic Business: Finance and Administration

Strategic Goal: Attain Long – Term Financial Viability

Explanation:

The Board of C.O.R.E. Programs, Inc, acting through its delegated officers, has the primary responsibility for ensuring that the organization is operated in an efficient and economical manner and that its financial integrity is maintained. This responsibility is exercised through the review, approval and control of the Operating Budgets. This Board Agenda Item is the formal action related to the Board adopting the FY2010-2011 C.O.R.E. Programs, Inc. budget as shown in Exhibit A.

Also as a part of this budget adoption 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 is 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 CFO met with the Commissioners to discuss the 2010-2011 Budget. Commissioner questions were recorded and answers to those questions were given to the Commissioners at the Finance & Audit Committee meeting. The CFO requested that Commissioners ask any additional questions before the Board meeting on March 16, 2010.

Funding:

Fund Raisers
C.O.R.E Programs, Inc.

Attachment:

C.O.R.E. Programs, Inc. Budget

RECORDING OFFICER'S CERTIFICATION

I, Barbara Porter, the duly appointed Secretary of the C.O.R.E. Properties, Inc., do hereby certify that the above item was properly adopted at a regular meeting held March 16, 2010.

(SEAL)

BY: _____
Barbara Porter, Secretary

**MINUTES OF CORE PROGRAMS, INC.
BOARD MEETING HELD ON TUESDAY, AUGUST 18, 2009**

Regular Meeting:

Additions to the Agenda:

None

Consideration to approve the minutes for:

- Meeting held on *March 24, 2009*

ACTION:

Motion was made to approve by:	Commissioner Page
Motion was seconded by:	Vice-Chairman Moore
Outcome:	Passed unanimously

Business Agenda Item:

3.A Trustee Acceptance: Piedmont Courts CSS Endowment Trust:

Approve resolution to authorize C.O.R.E. Programs, Inc. to act as trustee for the Piedmont Courts CSS Endowment Trust for the Housing Authority of the City of Charlotte, N.C. and to authorize staff to negotiate terms and execute documents necessary and appropriate as trustee.

ACTION:

Motion was made to approve by:	Commissioner Page
Motion was seconded by:	Commissioner Puckett
Outcome:	Passed unanimously

Motion was made for adjournment by:	Commissioner Ford
Motion was seconded by:	Commissioner Puckett
Outcome:	Passed unanimously

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