



**Charlotte Housing Authority**

**BOARD OF COMMISSIONERS**

**BOARD MEETING**

***APRIL 19, 2011***

***CHARLOTTE HOUSING AUTHORITY  
CENTRAL OFFICE  
1301 SOUTH BOULEVARD  
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”***

**Commissioners:**

***Chairman – Joel Ford***

***Vice-Chairman – Will Miller***

***Commissioner Lucille Puckett***

***Commissioner Benjamin Hill***

***Commissioner Geraldine Sumter***

***Commissioner David Jones***

***Commissioner Pamela Gordon***



**HOUSING AUTHORITY OF THE CITY OF  
CHARLOTTE**

***NOTICE***

***BOARD MEETING***

**BOARD OF COMMISSIONERS MEETING**

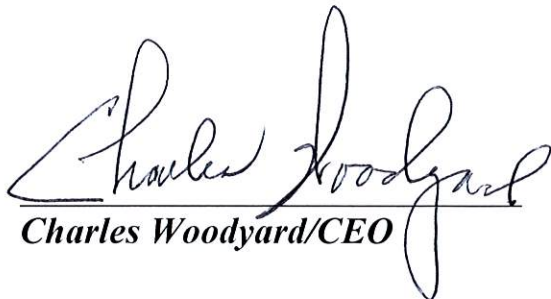
***April 19, 2011***

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***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 ***April 19, 2011*** as follows:

**TIME/Date:**        ***5:00 P.M.***  
                              ***April 19, 2011***

**LOCATION:**         ***Charlotte Housing Authority***  
                              ***1301 South Boulevard***  
                              ***Charlotte, NC 28203***

  
***Charles Woodyard/CEO***

# Housing Authority of the City of Charlotte Regular Meeting of the Board of Commissioners

Central Office  
1301 South Boulevard  
Charlotte, NC 28203

April 19, 2011

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

## Regular Meeting Agenda:

1. Pledge of Allegiance
2. Public Forum:
3. Review and Approval of the Agenda
4. Consideration to Approve the Minutes for:
  - Regular Board Meeting held *March 15, 2011 (Tab 3)*
5. Resident Advisory Council (RAC) Report
6. Monthly Report from the CEO
  - Business Plan Update
7. **Consent Agenda Action Items:**
  - A. Sandlewood Apartments Bond Inducement (p.1)
  - B. Budget Amendment: Administration Program Budget (p.3)
  - C. CHA 414(h) Retirement Plan Amendment (p.5)
  - D. Authorization to Establish a Self-Funded Workers' Compensation Program (p.6)
  - E. Contract Modification: The University of North Carolina at Chapel Hill (p.8)
8. **Business Agenda Action Items:**
  - A. Approve Procurement Contracts-ECS Carolinas, LLP (p.11)
9. **Executive Session:** Legal Matters

**Consent Agenda:**

**Consent Agenda items for the April 19, 2011 Regular Board Meeting of the Charlotte Housing Authority Board of Commissioners.**

**7. A Sandlewood Apartments Bond Inducement**

<b>Action:</b> <b>Approve a Resolution Giving Preliminary Approval to Issuance of Revenue Bonds to Finance the Acquisition and Renovation of an Affordable Housing Development (Sandlewood Apartments)</b>
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**Staff Resource:**      Ron Perera

**Strategic Business:**      Real Estate Development

**Strategic Goal:**      Ensure the Authority’s long-term financial viability.

**Background/Policy Framework:**

One of the CHA’s historical lines of business is to serve as a conduit issuer of tax-exempt bonds for applicants that wish to build or acquire and rehabilitate affordable residential units. The CHA, along with the City of Charlotte and Mecklenburg County, are the only organizations that can serve as conduit issuers for these bonds in Mecklenburg County. As the bond issuer, the CHA will earn fees at the time of application, at bond issuance, and annually until the bonds are retired. These fees are as follows:

\$2,500	Application Fee
\$91,000	Bond Issuance Fee
0.125%	Annual Fee (percentage of principal balance; the fee is initially about \$8,200)

**Explanation:**

***Project Status: Application received; under review by third party.***

In December of 2010, Staff received an application from The Benoit Group, LLC to be the conduit issuer of bonds in the amount of \$6,635,000 for the acquisition and rehabilitation of Sandlewood Apartments. The property is located in east Charlotte near the intersection of W.T. Harris Boulevard and Albemarle Road and consists of 151

garden-style units. The Benoit Group will serve as the developer and the project will be owned by a non-profit corporation called The Banyan Foundation.

Staff has reviewed the application and found the project to be in line with the CHA's "Guidelines for the Issuance of Bonds." The application, including proforma assumptions and projections, has been reviewed by a third party (The Reznick Group) with no negative findings. The project will contain 50 two- and three-bedroom units under a HAP contract. The remaining 100 units will be offered at market rate, with one additional unit occupied by an employee of the property.

Standard and Poors will serve as the underwriter and financier of the project. The CHA will have no ownership interest or management contract for this project, and will not lend any funds for the project, either. Approval of this Inducement Resolution will allow staff to begin the bond issuance process for this project.

**Committee Discussion:**

At the Development Committee meeting on April 6, 2011, this item was unanimously approved for the consent agenda.

**Community Input:**

Not applicable

**Summary of Bids:**

Not applicable

**Section 3/MWBE Consideration:**

Not applicable

**Funding:**

Not applicable

**Attachment:**

Resolution (Tab 1)

## **7. B Budget Amendment: Administration Program Budget**

**Action: Approve a Resolution to amend the Administration Program Budget for operating cost for 400 East Boulevard and customer service training for the fiscal year ending March 31, 2012. (Adopted by Resolution 1919)**

**Staff Resource:** Ralph Staley

**Strategic Business:** Finance and Administration

**Strategic Goal:** Ensure the Authority's Long- Term Financial Viability

### **Background/Policy Framework:**

On October 19, 2010, the CHA Board of Commissioners approved Resolutions 1883 and 1884 granting permission and funds for staff to pursue purchase of an existing office building located at 400 East Boulevard in the Dilworth neighborhood of Charlotte. The intent was to purchase the building, renovate it to meet CHA's needs, and move all administrative staff into this building. The purchase of 400 East Boulevard was consummated on December 22, 2010. Resolution 1901 was passed on January 18, 2011 to amend the COCC budget through March 31, 2011 for the addition of this property.

In the summer of 2010, CHA initiated a Customer Service Program with a training component to re-enforce the culture of providing excellent customer service for a budgeted cost of \$9,000. The initial development of the training materials and program were conducted within the 2010 -2011 fiscal year for \$4,500. The training of staff is scheduled during the 2011-2012 fiscal year for the remaining budgeted cost of \$4,500.

### **Explanation:**

Since the building at 400 East Boulevard was purchased in December, CHA staff has begun the process of architectural design and permitting for the renovation of the building. It is anticipated at this time that CHA staff can move into the building in early 2012. As contracts come up through 2011 for the design and renovation construction of the building, they will be presented to the Board of Commissioners for approval.

There is one tenant (TH Management, Inc. -- "THM") remaining in the building. THM is occupying approximately 3,500 square feet on the second floor of the west portion of the building. THM's lease runs through March 31, 2014, and they are currently paying

approximately \$6,700 per month. Staff has offered THM the option of vacating their offices at 400 East Boulevard and is currently negotiating with them.

Staff has put together an operating budget from April 2011 through March 2012. The operating budget is based on historical operating costs for the building as well as the assumption that THM vacates the building on July 31, 2011 (this is the earliest they would leave, if at all). If THM stays in the building through the end of their lease, the income from their rent will help to offset the costs of owning the building.

CHA has developed a program to ensure the level of customer service being delivered agency wide was consistent and measurable. Customer Service training is mandatory for all CHA employees with no exceptions. The first half of the process, which included the actual development of the outline, program, materials, and deliverables for the training up to March 31, 2011 cost \$4,500. The second half of the program which is the actual training of the entire CHA staff scheduled for the second week of April at the Carol Hoefener Center cost \$4,500. All potential makeup days to be scheduled at a later date are included in the contract.

This budget amendment covers operating revenues and other sources and expenditures for 400 East Boulevard in the amount of \$190,534 for April 2011 to March 2012, as shown in Exhibit A. This budget amendment also covers the cost remaining for the onsite training. Staff is reappropriating funds in the amount of \$4,500. The corresponding expenditure is in the Operating Cost category as shown in Exhibit A.

The total for revenues and other sources and expenditures in Exhibit A is \$195,034.

**Committee Discussion:**

At the Finance & Audit Committee meeting on April 6, 2011, this item was unanimously approved for the consent agenda.

**Funding:**

Fund Balance Appropriated-COCC

Fund Balance Appropriated- MTW

**Attachments:**

Resolution (**Tab 1**)

Exhibit A for Resolution (**Tab 1**)

## **7. C CHA 414(h) RETIREMENT PLAN AMENDMENT**

<b>Action:</b> <b>Approve a Resolution to amend the Housing Authority of the City of Charlotte, NC 414(H) Retirement Plan</b>
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**Staff Resource:**      Ralph Staley

**Strategic Business:**      Finance and Administration

**Strategic Goal:**      Ensure the Authority's long-term financial viability.

### **Background/Policy Framework:**

Staff has been reviewing options which would eliminate plan administration fees for the employee 414(h) retirement plan in place prior to our movement to the Local Government Employees Retirement System (LGERS). A thorough review of those options revealed limited opportunities for the Authority to transition to a lower cost option because of the active loan program. There would also be a negative financial impact to ~60% of employees with active accounts due to outstanding loan balances if the plan were closed.

### **Explanation:**

The Housing Authority joined the Local Government Employee's Retirement System (LGERS) in October of 2009. Funding in the CHA 414(h) retirement plan ceased with the exception of the repayment of employee loans at that time. At the time no decision was reached regarding the future of that plan in order to consider the impact of its closure on employees with outstanding loan balances.

Since then the staff has researched available options, as well as sought the input of employees via two surveys. Staff determined that the 414(h) plan should ultimately be closed to eliminate plan administration fees, however to do so while there are outstanding employee loans would create a potential financial hardship on many employees. All unpaid balances would be subject to taxes and penalties under current IRS regulations. The above proposed plan amendment would end the loan program so that no new loans could be initiated after April 30, 2011, but would allow the existing loans to be repaid pursuant to the current terms. The proposed plan closure would then coincide with our five (5) year anniversary in the LGERS plan (September 30, 2014) at which point most loans would have been repaid in full. Those employees with repayment dates past the



The elimination of new loans within this plan will also allow the Authority to consider lower cost plan administration options for the duration of the plan life. If this amendment is approved staff will pursue those options further and return with their findings and recommendations.

Upon reaching the plan closure date the majority of the employees will be vested in LGERS and would then have a number of options available to them. Among these would be the option to utilize the 414(h) plan balance to buy additional service time in LGERS, request a rollover or distribution.

**Committee Discussion:**

At the Finance & Audit Committee meeting on April 6, 2011, this item was unanimously approved for the consent agenda.

**Summary of Bids:**

N/A

**Section 3/MWBE Consideration:**

N/A

**Attachments:**

Resolution (Tab 1)

Copy of 414(h) Retirement Plan Amendments (Tab 1)

**7. D Authorization to Establish a Self-Funded Workers' Compensation Program**

- |                        |  |
|------------------------|--|
| <p><b>Actions:</b></p> | <ul style="list-style-type: none"><li><b>a. Approve a Resolution to authorize CHA to establish a Self-Funded Workers' Compensation Program effective July 1, 2011.</b></li><li><b>b. Authorize staff to notify the current carrier NCHARRP of this decision in writing.</b></li><li><b>c. Authorize the Risk Analyst to serve as administrator over the CHA Self-Funded Workers' Program.</b></li><li><b>d. Approve the conceptual financial structure to establish the CHA Self-Funded Workers' Compensation Program.</b></li></ul> |
|------------------------|--|

**Staff Resource:** Ralph Staley

**Strategic Business:** Finance Administration

**Strategic Goal:** Ensure the Authority's Long- Term Financial Viability

**Background/Policy Framework:**

The Authority's Board of Commissioners has provided for the care of workers injured on the job through the purchase of a fully insured Workers' Compensation Policy. This cost has escalated over the years. Due to these increases staff completed an assessment to determine the financial feasibility of self-funding the Workers' Compensation program to provide the best care possible while protecting the financial assets of the Authority.

**Explanation:**

Since 2005, the Authority has experienced 91 Workers' Compensation claims resulting in \$322,501 in claims. During the same time period the Authority paid Workers' Compensation premiums in the amount of \$875,642. Based on historical data analysis it is projected the Authority will experience an estimated \$60,000 in Workers' Compensation claims in 2011 and have a premium of ~\$200,000.

By self-funding the projected claims of \$60,000 (and retaining liability for the first \$350,000 of all claims, which will be a reservation of Fund Balance), purchasing insurance protection for claims above \$350,000 for \$49,638, and paying a Third Party Administrator \$12,000 to process claims, the Authority could realize annual savings between \$50,000 and \$80,000. By beginning with a nine month first-year from July, 1 2011 to March 31, 2012 projected savings are between \$37,000 and \$60,000.

To fund the Workers' Compensation Program staff intends to establish an accounting process to bill each division monthly based on actual payroll at the rates used by NCHARRP for 2011. Staff will ask the Board to approve a reservation of fund balance in the Administration Program in the amount of \$350,000 until the Workers' Compensation Program accumulates adequate assets to meet its maximum exposure. Once that amount is obtained the reservation will be released by the Board.

**Committee Discussion:**

At the Finance & Audit Committee meeting on April 6, 2011, this item was unanimously approved for the consent agenda.

**Funding:**

Administration Program for reservation of Fund Balance.

Administration, Field Operation and Real Estate Programs for ongoing program.

**Attachment:**

Resolution (Tab 1)

**7. E Contract Modification: The University of North Carolina at Chapel Hill**

**Action: Approve modification of Contract No. 1701 to extend the Moving To Work (MTW) Evaluation for one (1) year with an option to extend up to an additional six (6) years, with staff negotiating the costs per year, to correspond with the ending of the ten (10) year MTW Agreement March 31, 2018.**

**Staff Resource:** Steve Lamphere/Deborah Clark/Shauté Evans

**Strategic Business:** Executive /Finance and Administration

**Strategic Goal:** Create an environment that encourages client families to reach their highest potential.

**Background/Policy Framework:**

In April 2009, CHA contracted with The Center for Urban and Regional Studies in the College of Arts and Sciences at the University of North Carolina at Chapel Hill (UNC CH) to measure the impact of the Moving To Work Demonstration Program (Year 1 - \$220,088 and Year 2 - \$191,106). In March 2010, the contract was modified for UNC CH's accounting department to restate the price for the second year (\$191,106). Year 3 Budget Proposal is for \$190,794. CHA would like to extend the contract for seven (7) years to correspond with the ending of the ten (10) year MTW Agreement with staff to negotiate the future costs associated with the seven years. The current CHA Procurement Policy was not in effect when the initial contract was completed.

CHA has determined the best method to continue to measure the impact of the MTW program is to extend the existing contract with UNC CH. This is considered acceptable due to the previous bids solicited for similar type services delivered in the prior Moving to Work (MTW) products provided by UNC CH.

On June 15, 2010, the CHA Board of Commissioners approved a final update to the CHA Procurement Policy that requires a review and approval by the Board for Procurement actions that exceed the dollar threshold set for that individual classification of material or service as set below:

<u>Dollar Threshold</u>	<u>Procurement Classification</u>
\$100,000	New Construction and Substantial Rehabilitation contracts.
\$50,000	Professional Service contracts, consultants, architects and engineers.

Additionally, any procurement that will cause a single vendor to exceed the above amounts during a rolling twelve (12) month period will require prior approval from the CHA Board of Commissioners before additional contracts are awarded to the vendor.

This Procurement has been designated as a Non-Bid Procurement due to the “governmental status” of UNC CH and bidding is not required for services from one agency to another. The specialized requirements developed by each Housing Authority (HA) to measure the impact of the MTW program make it difficult to establish price reasonableness from one HA to another; however, alternative methods of determining that price is fair and reasonable are considered acceptable when that cost is considered fair and reasonable because of previous bids solicited for similar type services, such as the Hope VI and Moving to Work (MTW) evaluations. UNC CH and CHA have a performance based contract in place to conduct the evaluation that includes individual targets, milestones and deliverables for the full ten (10) year contract. The CHA’s desire to partner with a leading public research university made the selection of UNC CH the best choice.

**Explanation:**

HUD encourages public housing authorities to conduct an evaluation of their MTW program so that they may use the outcome measures and promising practices learned throughout the Moving to Work demonstration program to respond to Congress on the effects of MTW policy changes on residents, the Agency’s operations and the local community.

- UNC CH was selected as the evaluation provider for the MTW program based on their reputation as national affordable housing research professionals.
- UNC CH has conducted resident satisfaction surveys, interviewed key staff and several board members, consulted with staff on metrics, baselines and benchmarks of Moving Forward initiatives, as well as consultation on the tracking and compiling data. This long-term study will assess the impacts of public housing management innovations—including rent reforms and work requirements—on the tenants and their families. UNC CH worked with Client Services to refine the tracking matrix and continue to provide valuable input on our processes that enable staff to measure client progression in our programs. Most recently the researchers have implemented exit surveys to begin tracking residents who move out of public housing.
- CHA has found the relationship and scope of services with The Center for Urban and Regional Studies to be positive and productive and would like to continue with the evaluation. If a new evaluator has to be selected CHA will lose its raw data and ultimately be in a beginning stage.
- Staff has contacted several HUD recommended MTW Authorities to determine what other agencies are doing to evaluate their programs.

**Committee Discussion:**

At the Finance & Audit Committee meeting on April 6, 2011, this item was unanimously approved for the consent agenda.

**Community Input:**

Not applicable

**Summary of Bids:**

Not applicable

**Section 3/MWBE Consideration:**

Not applicable

**Funding:**

MTW Funds

**Attachment:**

Moving to Work Evaluation Project Description (Tab 2)

**Business Agenda:**

**Business Agenda item for the April 19, 2011 Regular Board Meeting of the Charlotte Housing authority Board of Commissioners.**

**8.A Approve Procurement Contracts – ECS Carolinas, LLP**

<b>Action:</b>	<b>Approve Contracts for the Procurement of Environmental Services for Asbestos Abatement, Project Bid and Design and Air Quality Testing by ECS Carolinas, LLP (ECS).</b>
	<b>a. ECS Carolinas, LLP \$5,100</b>
	<b>b. ECS Carolinas, LLP \$170</b>

**Staff Resource:** Ralph Staley/Steve Lamphere/Cheryl Campbell

**Strategic Business:** Finance and Administration/Capital Assets

**Strategic Goal:** Ensure the Authority’s Long-Term Financial Viability

**Background/Policy Framework:**

On June 15, 2010 the CHA Board of Commissioners approved the final update to the CHA Procurement Policy that requires a review and approval by the Board for Procurement actions that exceed the dollar threshold set for that individual classification of material or service as set below:

<b><u>Dollar Threshold</u></b>	<b><u>Procurement Classification</u></b>
\$100,000	Construction, Maintenance or Repair contracts.
\$50,000	Purchase of apparatus, supplies, materials and equipment. Also including service contracts, consultants, architects and engineers.

Additionally, any procurement that will cause a single vendor to exceed the above amounts during a rolling twelve (12) month period will require prior approval from the CHA Board of Commissioners before additional contracts are awarded to the vendor.

**Explanation:**

U.S. environmental laws require the use of a specialized vendor for any type of project under Hazardous or Environmental Waste services. The two procurement approvals requested at this time are for various types of environmental services that mandate the use of this type of specialized vendor to conduct these types of projects. The first procurement for \$5,100 is for ECS to provide additional asbestos sampling and mold and

remediation (if encountered) and contingency for any remaining asbestos services at Hampton Creste. ECS provides a State of NC licensed asbestos project designer to prepare an Asbestos Abatement Specification for the asbestos abatement activities that must take place before any renovation work is started. ECS will provide project management and oversight of abatement activities, along with air monitoring services and submit a final review/report. The final report will include site observations; air sample results and project documentation. The second procurement for \$170 is for air quality testing and certification by ECS for one unit at Mallard Ridge.

<u>Contract Number</u>	<u>Cost</u>	<u>Vendor</u>	<u>Total Paid To Date</u>
PO PENDING	\$3,000	ECS Carolinas, LLP	\$ 78,649
PO PENDING	\$170	ECS Carolinas, LLP	

**Committee Discussion:**

This item did not go before committee as its need was determined after the deadline for committee agenda items.

**Section 3/MWBE Consideration:**

Section 3- NA  
 MWBE- NA

**Funding:**

Construction Rehab Project Budget and Field Operation program budget.

**Attachment:**

None

**TAB 1**  
**RESOLUTIONS**

**REGULAR**  
**BOARD**

**MEETING**

**04/19/2011**



## RESOLUTION

### **PROVIDE A RESOLUTION GIVING PRELIMINARY APPROVAL TO ISSUANCE OF REVENUE BONDS TO FINANCE THE ACQUISITION AND RENOVATION OF AN AFFORDABLE HOUSING DEVELOPMENT (SANDLEWOOD APARTMENTS)**

**WHEREAS**, The Banyan Foundation, a nonprofit corporation, or an affiliated or related entity (the “Borrower”), has requested that the Housing Authority of the City of Charlotte, N.C. (the “Authority”) assist in financing the acquisition and renovation of a multifamily residential rental project to be known as Sandlewood Apartments, consisting of approximately 151 units and located at a site at 7100 Snow Lane, Charlotte, North Carolina (the “Development”); and

**WHEREAS**, the Borrower has described to the Authority the benefits of the Development to the City of Charlotte and the State of North Carolina and has requested the Authority to agree to issue its revenue bonds in such amounts as may be necessary to finance the costs of acquiring, constructing and installing the Development; and

**WHEREAS**, the Authority is of the opinion that the Development is a facility which can be financed under the Act and that the financing of the same will be in furtherance of the purposes of the Act;

### **BE IT RESOLVED BY THE HOUSING AUTHORITY OF THE CITY OF CHARLOTTE, N. C.:**

1. It is hereby found and determined that the Development will involve the acquisition and renovation of a multifamily residential rental facility to serve persons of low and moderate income, and that therefore, pursuant to the terms and subject to the conditions hereinafter stated and the Act, the Authority agrees to assist the Borrower in every reasonable way to issue bonds to finance the acquisition and renovation of the Development, and, in particular, to undertake the issuance of the Authority’s revenue bonds (the “Bonds”) in one or more series in an aggregate amount now estimated not to exceed Six Million Six Hundred Thirty-five Thousand Dollars (\$6,635,000) to provide all or part of the cost of the Development.

2. The Authority intends that the adoption of this resolution be considered as “official action” toward the issuance of the Bonds within the meaning of the regulations issued by the Internal Revenue Service pursuant to Section 141 of the Internal Revenue Code of 1986, as amended (the “Code”).

3. The Bonds shall be issued in such series and amounts and upon such terms and conditions as are mutually agreed upon among the Authority and the Borrower. The Authority and the Borrower shall enter into a “financing agreement” pursuant to the Act for a term and upon payments sufficient to pay the principal of, premium, if any, and interest on the Bonds and to pay all of the expenses of the Authority in connection with the Bonds and the Development. The Bonds will be issued pursuant to an indenture or security agreement between the Authority and a trustee (the “Trustee”) or the bondholder which will set forth the form and terms of the Bonds and will assign to the Trustee for the benefit of the holders of the Bonds, or directly to the bondholder, the Authority’s rights to payments under the financing agreement. The Bonds shall not be deemed to constitute a debt or a pledge of the faith and credit of the State of North Carolina or any political subdivision or agency thereof, including the Authority and the City of

Charlotte, but shall be payable solely from the revenues and other funds provided under the proposed agreements with the Borrower.

4. The Authority will proceed, upon the prior advice, consent and approval of the Borrower, bond counsel and the Authority's counsel, to obtain approvals in connection with the issuance and sale of the Bonds, including, without limitation, from the City of Charlotte and the North Carolina Local Government Commissioners.

5. It having been represented to the Authority that it is desirable to proceed with the acquisition and renovation of the Development, the Authority agrees that the Borrower may proceed with plans for such acquisition, construction and installation, enter into contracts for the same, and take such other steps as it may deem appropriate in connection therewith, provided that nothing herein shall be deemed to authorize the Borrower to obligate the Authority without its written consent in each instance to the payment of any monies or the performance of any act in connection with the Development and no such consent shall be implied from the Authority's adoption of this resolution. The Authority agrees that the Borrower may be reimbursed from the proceeds of the Bonds for all qualifying costs so incurred by it as permitted by Internal Revenue Service Regulations Section 1.150-2.

6. All obligations hereunder of the Authority are subject to the further agreement of the Authority and the Borrower to satisfactory review by the Authority of the financial capability of the Borrower and satisfactory underwriting of the Development, and mutual agreement to the terms for the Bonds, including the execution of a financing agreement, indenture, or security agreement and other documents and agreements necessary or desirable for the issuance, sale and delivery of the Bonds. The Authority has not authorized and does not authorize the expenditure of any funds or monies of the Authority from any source other than the issuance of the Bonds. All costs and expenses in connection with the financing and the acquisition and renovation of the Development and the issuance of the Bonds, including the reasonable fees and expenses of the Authority's counsel, bond counsel, and the agent or underwriter for the sale of the Bonds, shall be paid from the proceeds of the Bonds or by the Borrower, but if for any reason the Bonds are not issued, all such expenses shall be paid by the Borrower and the Authority shall have no responsibility therefore. It is understood and agreed by the Authority and the Borrower that nothing contained in this resolution shall be construed or interpreted to create any personal inability of the officers or commissioners from time to time of the Authority.

7. The officers of the Authority are hereby authorized and directed to take all actions in furtherance of the issuance of the Bonds, including calling for a public hearing with respect to the financing of the Development through the issuance of the Bonds.

8. Hunton & Williams LLP, Raleigh, North Carolina, shall act as bond counsel for the Bonds.

9. This resolution shall take effect immediately upon its passage.

**RECORDING OFFICER'S CERTIFICATION**

I, Charles Woodyard, the duly appointed Secretary of the Housing Authority of the City of Charlotte, N.C., do hereby certify that this Resolution was properly adopted at a regular meeting held April 19, 2011.

(SEAL)

By: \_\_\_\_\_  
Charles Woodyard  
Secretary

**APPROVE A RESOLUTION TO AMEND THE ADMINISTRATION PROGRAM BUDGET FOR OPERATING COST FOR 400 EAST BOULEVARD AND CUSTOMER SERVICE TRAINING FOR THE FISCAL YEAR ENDING MARCH 31, 2012. (ADOPTED BY RESOLUTION 1919)**

**WHEREAS**, Exhibit A shows, revenues and other sources in the amount of \$195,034 and expenditures in the amount of in \$195,034 for the operations at 400 East Boulevard and customer service training.

**WHEREAS**, all regulatory and statutory requirements have been met;

**WHEREAS**, the Authority has sufficient operating reserves to meet the working capital needs of its development (as defined by HUD);

**WHEREAS**, the Board has determined that the proposed expenditures are necessary in the efficient and economical operation of the program for serving low-income families;

**WHEREAS**, the Budget indicates a source of funds adequate to cover all proposed expenditures;

**WHEREAS**, the calculation of eligibility for federal funding is in accordance with the provisions of the regulations;

**WHEREAS**, all proposed rental charges and expenditures will be consistent with provisions of law;

**WHEREAS**, pursuant to 24 CFR 24.630, the Authority has notified all employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance on CHA property is prohibited; established an Employee Assistance Plan for employees who request assistance or rehabilitation; and implemented personnel policies regarding violations and the reporting of violations of these rules and regulations, including the termination of employees convicted of violations of laws regarding the possession, use and distribution of controlled substances;

**WHEREAS**, no person in the Authority holds more than one position, and no position is allocated more than 100% of the salary as listed on the Schedule of Salaries and Positions.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Commissioners does hereby approve this Resolution to amend the Administration Program Budget for fiscal year ending March 31, 2012; attached hereto as Exhibit A.

**THEREFORE, BE IT ALSO RESOLVED** that 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.

**RECORDING OFFICER'S CERTIFICATION**

I, Charles Woodyard, the duly appointed Secretary of the Housing Authority of the City of Charlotte, North Carolina, do hereby certify that this Resolution was properly adopted at a regular meeting held April 19, 2011.

BY: \_\_\_\_\_  
Charles Woodyard  
Secretary

## RESOLUTION

## EXHIBIT A

REVENUE:	April 2011 - March 2012 ADMINISTRATION	REVISION	April 2011 - March 2012 ADMINISTRATION
CHA Relocation Program Income	1,859,463		1,859,463
Section 8 Fees	1,218,282		1,218,282
MTW Funds	1,070,641		1,070,641
Other Revenue	844,713	966	845,679
Public Housing Fees	794,767		794,767
City Relocation Program Income	606,847		606,847
Maintenance Operations	537,418		537,418
Capital Fund Fees	518,502		518,502
Horizon Fees	342,117		342,117
CFRC Management Fee	200,304		200,304
ARRA Management Fee	160,000		160,000
Non-Dwelling Rents		82,226	82,226
<b>TOTAL REVENUE:</b>	<b>8,153,054</b>	<b>83,192</b>	<b>8,236,246</b>
<b>OTHER SOURCES</b>			
Fund Balance Appropriated-COCC		107,342	107,342
Fund Balance Appropriated-MTW Funds		4,500	4,500
<b>TOTAL OTHER SOURCES</b>		<b>111,842</b>	<b>111,842</b>
<b>TOTAL REVENUE AND OTHER SOURCES</b>	<b>8,153,054</b>	<b>195,034</b>	<b>8,348,088</b>
<b>EXPENDITURES:</b>			
Salaries/Benefits	4,161,182		4,161,182
Operating Costs	3,891,519	105,224	3,996,743
Utilities	57,724	89,810	147,534
Capital Outlay	42,629		42,629
<b>TOTAL EXPENDITURES:</b>	<b>8,153,054</b>	<b>195,034</b>	<b>8,348,088</b>

**RESOLUTION**  
**APPROVE A RESOLUTION TO AMEND THE HOUSING AUTHORITY OF**  
**THE CITY OF CHARLOTTE, NC 414(H) RETIREMENT PLAN**

**WHEREAS**, the Housing Authority of the City of Charlotte (the “Employer”) maintains the Housing Authority of the City of Charlotte, N.C. 414(h) Plan; and

**WHEREAS**, the Board of Commissioners desires to reduce plan administration fees; and

**WHEREAS**, the continuation of new participant loans prevents the reduction of fees;

**NOW, THEREFORE, BE IT RESOLVED**, that the Board of Commissioners does hereby approve Amendment Number 2011-1 of the Housing Authority of the City of Charlotte, NC 414(h) Retirement Plan effective April 30, 2011, presented at this meeting.

**RESOLVED**, that the President/CEO, Chief Financial Officer, Director of Human Resources and Secretary of the Corporation are each hereby authorized and directed in the name and on behalf of the Corporation to take all such action as they may deem necessary or appropriate to carry out the intent of the foregoing resolutions, all previous actions taken by any such officers being hereby ratified, confirmed and approved.

**RESOLVED**, that the Housing Authority of the City of Charlotte, NC 414(h) Retirement Plan (“Plan”) be amended to read that loans to participate are not permitted effective May 1, 2011; and

**RESOLVED**, that the Board of Commissioners further certifies that attached hereto as Exhibit A is a true copy of the Housing Authority of the City of Charlotte 414(h) Retirement Plan amendment which is hereby approved and adopted.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Commissioners does hereby approve this Resolution to adopt Amendment Number 2011-1 to the Housing Authority of the City of Charlotte, NC 414(h) Retirement Plan.

**RECORDING OFFICER’S CERTIFICATION**

I, Charles Woodyard, the duly appointed Secretary of the Housing Authority of the City of Charlotte, North Carolina, do hereby certify that this resolution was properly adopted at a regular meeting held April 19, 2011.

BY: \_\_\_\_\_  
Charles Woodyard  
Secretary

**EXHIBIT A  
AMENDMENT TO THE  
HOUSING AUTHORITY OF THE CITY OF CHARLOTTE, NC 414(H)  
RETIREMENT PLAN**

Housing Authority of the City of Charlotte, N.C. (the "Employer") hereby adopts and Amendment to the Housing Authority of the City of Charlotte, NC 414(h) Retirement Plan (the "Plan") on the date noted below.

WHEREAS, the Employer adopted the Plan effective as of January 1, 1989; and

WHEREAS, the Employer reserved the right to amend said Plan from time to time; and

WHEREAS, the Employer desires to amend the Plan to read that loans to participants are not permitted.

NOW, THEREFORE, the Plan is amended as follows, effective May 1, 2011;

1. Item 36 of the Adoption Agreement is amended by selecting option 36(a), in lieu of option 36(b).
2. Appendix B, Section A, of the Adoption Agreement is amended by selecting option (a) in lieu of options (b)(1), (b)(3) - \$1,000, (b)(4) - 1, (b)(6)(a) and (c), (b)(7)(a)(b) and (f).

Except as amended hereinabove, the Plan shall remain unchanged, and as amended herein, shall continue in full force and effect.

**IN WITNESS WHEREOF**, the Employer has executed this Amendment this

\_\_\_\_\_ Day of \_\_\_\_\_, 201\_\_\_\_\_.

**HOUSING AUTHORITY OF THE CITY OF  
CHARLOTTE, N.C.**

By: \_\_\_\_\_

Title: \_\_\_\_\_



**RESOLUTION**  
**AUTHORIZE THE HOUSING AUTHORITY OF THE CITY OF CHARLOTTE, NC**  
**(CHA) TO ESTABLISH A SELF-FUNDED WORKERS' COMPENSATION PROGRAM**  
**EFFECTIVE JULY 1, 2011**

**WHEREAS**, the Board recognizes the need to protect the health and well being of all employees; and

**WHEREAS**, the Board wishes to provide the highest level of medical care when injuries occur while employees are engaged in carrying out their assigned duties; and

- Reduce the cost of providing this medical care; and
- Provide greater Administrative controls over the Workers' Compensation Program; and

**WHEREAS**, the State of North Carolina gives the Board the right to establish and Self-Fund their Workers' Compensation Program; and

**WHEREAS**, the Board has the authority to approve the conceptual financial structure of the Self-Funded Workers' Compensation Program.

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Commissioners of the Housing Authority of the City of Charlotte, NC that:

1. Effective July 1, 2011 the CHA will execute their right and establish a Self-Funded Workers' Compensation Program;
2. The Chair of the Board of Commissioners and the Chief Executive Officer are hereby authorized to execute any required documents necessary to notify the current Workers' Compensation insurance carrier of this decision;
3. The Risk Analyst will serve as Administrator over the Workers' Compensation Program under the direction of the CHA Chief Financial Officer; and
4. The conceptual financial structure to establish the Workers' Compensation Program is accepted.

**RECORDING OFFICER'S CERTIFICATION**

I, Charles Woodyard, the duly appointed Secretary of the Housing Authority of the City of Charlotte, North Carolina, do hereby certify that this resolution was properly adopted at a regular meeting held April 19, 2011.

BY: \_\_\_\_\_  
Charles Woodyard, Secretary

**TAB 2**

**MOVING to WORK**

**EVALUATION**

**PROJECT**

**DESCRIPTION**

**BOARD**

**MEETING**

**04/19/2011**

## Moving to Work Evaluation - UNC Chapel Hill Study

### Executive Summary

The Charlotte Housing Authority is one of only thirty-three agencies nationwide designated by the Department of Housing and Urban Development (HUD) to participate in the Moving to Work program. CHA's participation in MTW was authorized by the 1999 Appropriations Act. CHA executed an interim agreement in December 2006, the Original MTW Agreement in December 2007 and the Amended & Restated MTW Agreement in 2008, which extended its participation in MTW until the end of its 2018 fiscal year.

HUD suggests that agencies participating in the Moving to Work (MTW) program conduct an evaluation to determine the effectiveness of the implementation of initiatives. CHA has based the agency's MTW evaluation on providing the most complete, data-driven report on the MTW goals and the progress our residents achieve in all our programs related to Moving Forward, our brand of the MTW program. While most MTW agencies evaluate the success of components of the MTW initiatives, the Charlotte Housing Authority has chosen to evaluate the success of all the programs and initiatives to determine the overall value for a holistic program.

#### MTW goals are:

- **Operational Efficiency through Innovation** - Streamline business processes and implementation of advanced technological solutions that will result in operational cost efficiencies and enable reallocation of resources.
- **Self-Sufficiency** - Provide alternate incentives designed to motivate families to actively seek financial independence and transition from dependency on housing subsidy. Carefully measure success of each incentive to identify and replicate the greatest motivators.
- **Expand Housing Opportunities** - Maximize CHA's economic viability and sustainability through repositioning the current real estate portfolio and development of new affordable housing opportunities to meet the broad spectrum of low and moderate income residents of CHA.

As stated above, most Housing Authorities are only reporting on segments of the MTW goals in their programs. Most PHA's using an outside source, such as a university or a consultant; only have them

analyze a part of the program. For example, a college or university will only conduct a survey of participants or compile a data base for the PHA to use. Staff at the PHA's who continue to work on the evaluations have been contacted by CHA staff and state they only spend minimal time allocated to working on the evaluation due to their other job duties. By comparison, CHA's evaluation provides a better overall study of our baseline, benchmarks, and results due to UNC CH spending dedicated staff time to our program. The CHA analysis will study all MTW related goals and benchmarks to determine if adjustments need to be made to accomplish these goals based on the data collected. The following PHA's used for this comparison were suggested by HUD. HUD was aware that the PHA's listed were conducting studies or were exploring the option to conduct a study on their MTW program or elements of their program. Below is a comparison of what other Housing Authorities are doing in reference to evaluating their MTW programs.

**Example of agencies who only chose to evaluate programs and not the entire MTW initiative:**

**The Cambridge Housing Authority (CHA)** partnered with Quadel Consulting Corporation to conduct a benchmarking study to assess the outcomes of CHA's rent simplification procedures in 2007. The study examined both resident outcomes and agency outcomes, looking to measures like resident earnings and income as well as CHA staff time saved as a result of the new procedures, offering a somewhat holistic description of the impacts of a major MTW reform.

**The Housing Authority of the County of San Bernardino (HACSB)** partnered with the Loma Linda University School of Social Work to develop detailed assessments of the families participating in a work requirement pilot program. HACSB's internal research staff also compiles quarterly tracking reports, in which they exceed HUD reporting requirements and assess their progress for each of their evaluation measures modifying the goals if necessary.

**The Housing Authority of Champaign County**

The Housing Authority of Champaign County's (Illinois) long term plan is centered on the statutory objective of self-sufficiency. Their MTW plan includes a third party objective evaluation and analysis to be done by the University of Illinois Health and Consumer Economics Department. They are a first-year MTW Agency and have not conducted an initial evaluation to determine the baseline data set or future benchmarks. This PHA does have plans to spend approximately \$150,000 for their first year study to study their self-sufficiency element of their MTW program. HACC has employed a consultant at a salary

of \$100,000, who assisted with the completion of the MTW application, Annual Plan and implementation of MTW initiatives, as well as a full time MTW staff member.

### **Housing Authority Outsourcing a Complete MTW Study**

#### **Atlanta Housing Authority**

The Atlanta Housing Authority has a contract with EuQuant, a company based in Atlanta, to conduct their MTW evaluation analysis. The firm's principal, Dr. Thomas Boston, conducts other research and evaluations for the agency. The contract, which is for \$500,000, includes a baseline analysis, two updates based on benchmarks, and a final report.

#### **About the Charlotte Housing Authority Evaluation**

The Charlotte Housing Authority, which is considered nationally as a leading edge and innovative Housing Authority, contacted the nationally recognized Center for Urban and Regional Studies (CURS) at UNC Chapel Hill for an initial discourse of what the MTW study should include and evaluate. Once the baseline and benchmarks were determined, a contract was entered into with CHA and UNC CH in April of 2009, to measure the impact of the Moving To Work Demonstration Program. The initial contract totaled \$220,088 with the second year cost \$191,106. The proposed year three cost is \$190,794 and year four is \$191,130.

Dr. Bill Rohe, Director of the Center for Urban and Regional Studies leads the MTW evaluation. Dr. Bill Rohe has published works such as *Planning with Neighborhoods*" (University of North Carolina Press) and co-editor of *Chasing the American Dream: New Perspectives on Affordable Homeownership*" (Cornell University Press). He has also published over 50 journal articles on the topics of housing and community development policy and practice. Dr. Rohe has received best article awards from both the *"Journal of Planning Education and Research"* and the *"Journal of the American Planning Association."* He has conducted sponsored research for a variety of federal, state and local governments and foundations including the U.S. Department of Housing and Urban Development, the Ford Foundation, the MacArthur Foundation, and the Fannie Mae Foundation. He currently serves on the editorial boards of the *"Journal of Urban Affairs"* and *"Journal of Planning Literature"* and is an Associate Editor for the journal *"Housing Policy Debate."*

**UNC CH Affiliation with CHA prior to MTW-report** The Center for Urban and Regional Studies worked with the CHA between 1990 and 1996 conducting a longitudinal analysis of the CHA's Gateway Housing Program. This study documented the impact of the program on the education, work and employment, reliance on need-based benefits (food stamps and welfare) and housing assistance of program participants. The results of this study were reported to Congress in 1997 and were disseminated in several articles in national housing journals.

CURS researchers will conduct a carefully designed evaluation to monitor implementation of the MTW program, assess its outputs (such as the number of new units being built in high-opportunity neighborhoods), and assess its outcomes and impacts (such as the number of residents who have full-time employment or who are able to move out of assisted housing into private market housing). The information from the evaluation will help the CHA make mid-course corrections in their initiatives by addressing questions and concerns raised about the MTW program by others in the Charlotte community and providing HUD with the information on the impact of the housing authority's MTW program. UNC CH worked with Client Services to develop their tracking matrix and continue to provide valuable input on our processes that enable staff to measure client progression in our programs. Most recently the researchers have implemented exit surveys to begin tracking residents who move out of public housing.

The Charlotte Mecklenburg School System has recently given CHA the permission to use their data in reference to allowing us to measure the success of children in the CHA portfolio to determine success in the various programs such as MTW and the new Boulevard Homes HOPE VI project.

<ul style="list-style-type: none"> <li>• Interviewed key staff and several board members (25) to obtain comments on CHA program development and implementation/participation in MTW.</li> </ul>
<ul style="list-style-type: none"> <li>• Administered resident satisfaction surveys at 16 CHA communities for a total of 933 (75%) residents via in person and US mail. Surveys were self reported answers on topics including quality of units and neighborhood, health, school performance, barriers to employment. <ul style="list-style-type: none"> <li>○ Coded and analyze completed resident satisfaction survey</li> <li>○ Analyzed initial output and outcome data</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>• Developed detailed list of output outcome data needed <ul style="list-style-type: none"> <li>○ Work with IT to identify reports needed to evaluate the impact/outcomes of MTW on customers and agency.</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>• Consulted with MTW staff on developing metrics/baselines/benchmarks of Moving Forward activities. (Ongoing)</li> </ul>
<ul style="list-style-type: none"> <li>• Compiled/tracked changes in programs implemented ex. Rent Reform modifications; Currents of Change. (Ongoing)</li> </ul>
<ul style="list-style-type: none"> <li>• Consulted with Client Services on Currents of Change tracking matrix. <ul style="list-style-type: none"> <li>○ Advised on evaluation strategies.</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>• Implemented exit survey of residents to determine where residents go after moving from subsidized housing and to assess the effectiveness of self-sufficiency initiatives. (Ongoing)</li> </ul>
<ul style="list-style-type: none"> <li>• Gathered and analyzed data on the characteristics of CHA neighborhoods from the City of Charlotte’s Neighborhood Quality of Life Study</li> </ul>
<ul style="list-style-type: none"> <li>• Continues to explore opportunities to expand the scope of the CHA evaluation through efforts such as an (unsuccessful) application to the McArthur Foundation for funding in the How Housing Matters Research Competition for funding to track and interview residents who leave public housing during the first two years of the MTW program.</li> </ul>

PHA	Aspect of MTW Evaluated	Evaluator	University or College Affiliated	Total study years	Total Cost	MTW Agreement effective date	Number of Sec 8 and Sec 9 persons
Atlanta	three research reports benchmarking AHA's progress	Dr. Boston EuQuant formerly known as Boston Research Group	n/a	7	\$500,000	2003	25,000
Cambridge	program by program only	in-house staff (3)	n/a	year by year	Full time staff salary	1999	9,813
San Bernadino	Entire program	in-house staff (1)	Loma Linda university conducted a needs assessment of one PH community	2 years	Full time staff salary	2008	8,800
Seattle	Entire program	in-house (1)**	n/a only on HOPE VI	3	outside phone survey \$20,000 every three years & the staff salary	1998	28,000
Minneapolis	Home ownership program	non profit	University of Minnesota assisted the non profit	2 years	the non profit received a grant through a foundation	1998	12,000
Lawrence and Douglas County, Kansas	program by program only	in-house staff	n/a	13	Full time staff salary	1999	1,022
Champaign, Illinois	Focus on families only, not the elderly/disabled Does look at all MTW initiatives though	*** Consultant and Univ. of Illinois	University of Illinois	Has not begun yet	\$100,000 for consultant & \$150,000 for University 1 <sup>st</sup> year	Oct 2010	2,153



\*\*use administrative data and outside phone

surveyors

\*\*\*HACC has a consultant on staff (from SC) that helped write their application for participation in MTW, the annual plan and implementation of activity. They also have negotiated with the Univ. of Illinois which is local to complete the baseline the 1<sup>st</sup> year and then track the same families throughout the entire grant period to see impact of MTW initiatives on self-sufficiency. The consultant also noted that HUD told them that their acceptance into the MTW program was heavily influenced by the fact that they had a partnership with Univ. of Illinois to evaluate the program through the entire agreement period.

**TAB 3**

**MINUTES  
FOR REGULAR  
BOARD  
MEETING  
HELD 03/15/2011**

**CORRECTED VERSION**  
**MINUTES OF THE REGULAR BOARD MEETING  
OF THE COMMISSIONERS OF THE  
HOUSING AUTHORITY OF THE CITY OF CHARLOTTE  
HELD ON TUESDAY, MARCH 15, 2011**

The Board of Commissioners of the Housing Authority of the City of Charlotte, North Carolina held a regular meeting at **940 Brevard Apartments, 940 N. Brevard Street, Charlotte, NC 28202** at 5:00 p.m. on Tuesday, March 15, 2011.

**Present:**        *Chairman Joel Ford*  
                      *Vice-Chairman Will Miller*  
                      *Commissioner Lucille Puckett*  
                      *Commissioner Ben Hill*  
                      *Commissioner Geraldine Sumter*  
                      *Commissioner Pamela Gordon*

**Absent:**         *Commissioner David Jones*

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

**Pledge of Allegiance:**

Chairman Ford officially opened the meeting and asked that Commissioner Gordon lead the pledge of allegiance. Once completed, the *Public Forum* was opened.

**Public Forum:**

Chairman Ford asked if there was anyone present who wished to address the Board of Commissioners at this time. Any speakers will be allowed up to three minutes. Hearing none, he asked for a motion to close the *Public Forum*.

**ACTION:**

Motion was made by:	Commissioner Hill
Motion was seconded by:	Commissioner Sumter
Outcome:	Passed unanimously

**Review and Approval of the Agenda:**

Chairman Ford asked that the commissioners and staff review the agenda. Once completed he asked if there were any additions/deletions to the agenda? Mr. Woodyard, CEO, stated for

clarification that during his CEO report there will be a customer service recognition for several CHA employees. Additionally Mr. Chris Squier, Chief Development Officer, came forward to inform that **Item 8.C** would be added to the Business Agenda, which is to approve procurement of additional services at Woodlawn House. Chairman Ford asked if there were any more items to add to the agenda, hearing none, he then asked for a motion to approve the agenda with the following additions.

**ACTION:**

Motion was made by:	Commissioner Hill
Motion was seconded by:	Commissioner Sumter
Outcome:	Passed unanimously

**Consideration to Approve the Minutes for:**

- Regular Board Meeting held *February 15, 2011*

**ACTION:**

Motion was made for approval:	Commissioner Sumter
Motion was seconded by:	Commissioner Hill
Outcome:	Passed unanimously

**Resident Advisory Council (RAC) Report:**

Ms. Donna Green, RAC President, gave the following update:

- ❖ A very successful Quality Circle meeting was held on February 22, 2011 at the Carole Hoefener Center. In attendance was: Charles Woodyard, CEO; Sebronzik Wright, COO; Karen Calder, Client Services Director; Lekeista Freeman, RAC Liaison; Allison Preston, Resident Safety Director and the RAC Board.
- ❖ There was discussion of the purchase of the computers for the various organized communities. We also spoke of the different trainings which will be available in the near future, as well as programs for the youth.
- ❖ The computers have been ordered for the community centers. Once received they will be distributed as soon as the policy is in effect. Therefore the communities will know that they are responsible for this equipment once delivered to their site.
- ❖ Laptop computers which were issued by the prior RAC Board in 2010 and were not returned will not be given any new equipment.
- ❖ We have been working on our goals for the new fiscal year and a budget meeting is scheduled for March 16, 2011 with Ralph Staley, CFO; Heather Franklin, Accounting Director; and Lekeista Freeman, RAC Liaison.
- ❖ The election for Sunridge took place on February 19, 2011. Ms. Lucy Brown was reelected president of that community.

- ❖ Additionally we had the election on February 26, 2011 and we now have a new community on board, which is Wallace Woods. The president is Ms. Loretta Black. The first training with Wallace Woods will take place on March 16, 2011.
- ❖ There will be nomination meetings scheduled for Leafcrest, March 17, 2011; Mallard Ridge, March 22, 2011 and Cedar Knoll, March 24, 2011. RAC has been working with management and has been added to the agenda for these mandatory meetings.
- ❖ Dates have been set up for nominations at Savanna Woods, Tarlton Hills and Tall Oaks in April. However the final dates will be available soon.
- ❖ On March 14, 2011, we had an informal meeting with Shannon Bodnar, Regional Property Manager, and George Connor, Regional Property Manager about the Housing Occupancy Plan (HOP).
- ❖ We appreciated the CHA working with us however we still have a long way to go. Where we disagree we will agree to disagree. We do understand that rules are made for our safety and changes do not happen overnight.
- ❖ The RAC presidents are planning to meet to discuss the HOP because we do have some presidents which are not familiar. However we look forward to working with CHA.
- ❖ We will have quarterly meetings for all communities, new and old, to keep everyone refreshed and informed.
- ❖ Ms. Green then concluded her update.

Chairman Ford thanked Ms. Green for her open mind and positive attitude as RAC works with staff. He would like to hear what the differences are so as we move forward we will take them into consideration and see where we can work with you. Chairman Ford asked if there were any further questions, hearing none he moved to the Monthly Report from the CEO.

### **Monthly Report from the CEO**

#### **Business Plan Update:**

Mr. Woodyard, CEO, stated that prior to recognizing Ms. Deborah Clark, Communications & Research Director, he wants to reiterate how proud he is of the way the employees and resident of Strawn responded to the recent crisis. This was an unexpected big thing for us as well as a huge safety issue and inconvenience for our residents. It demonstrated that in a crisis the best of us comes out. Mr. Woodyard feels that is what was witnessed and he would like to recognize Deborah Clark so she can call the names to recognize the employees. There are two levels: there are certificates and there are stars for those that went beyond, beyond the call of duty therefore that is the difference.

Ms. Clark thanked Mr. Woodyard for the introduction and started the presentation. Several employees were called forward to receive both certificates and star plaques. There was a round

of applause for appreciation once completed. In closing, Chairman Ford stated on behalf of the Board of the Housing Authority Commissioners we would like to say “thank you”. Often we don’t get the opportunity to see or hear of the work that you do on a daily basis. One of the non-scientific ways that he knows if you are doing a good job is based upon whether or not his phone rings. During this particular crisis, it did not ring. He personally wants to say “thank you” to the men and women who work for the CHA for the hard work that you do. Chairman Ford continued that he did ask the CEO for slightly more context because we knew that the building had to come off line but we didn’t really know to the extent of what you went through to get the folks out, get them housed, get them fed, take care of them from the time that they were out and then get them back into their dwellings. Again bad news travels fast and good news does not therefore we wanted to make sure that we take this time to recognize you and say “thank you” for the hard work/commitment to the CHA. Mr. Woodyard thanked Chairman Ford for those comments. Mr Woodyard stated As you can see this effort actually touched every department in the Housing Authority. Mr. Woodyard further described the process of moving the families to a safe environment. He then referred to Mr. Sebronzik Wright, COO, who made the following comment. Mr. Wright stated that in addition to what staff did, generally it was also a testament to what we have done as far as just general preparation. Because we were properly prepared for this, (explaining that we had run safety drills that incorporated the community at large i.e. the police and fire safety) because of those prior efforts we were able to pull this off seamlessly. Our continuing efforts to do those kind of things speak loudly within the community and folks will look at us as an example as to what we can do if we put our minds together. Another round of applause was given once again.

**Corporate Scorecard:**

Mr. Woodyard continued that the second part of his report is actually information that was sent to the commissioners on Friday, March 11, 2011 which is the corporate scorecard. We received feedback from the Board that you wanted information on a monthly basis about the scorecard however in a different format. Since this is a lot of information, we choose to err on the side of too much information this first go around. He is hopeful that the Board had the opportunity to read this document. Presently he is *not* going to go over the information however if you have questions, he can answer or the business heads who are a part of this can answer any specific questions. Let him know if this is the format that works for you, how frequently you want the information and we will try to meet your needs.

Chairman Ford asked for any specific questions. Commissioner Sumter stated that she had questions however because there was no Wi-Fi accessibility her laptop would not work therefore she could not refer to her questions, she would email them to the CEO. Commissioner Sumter stated that she thought the document was fine as presented although she will say if there is ever anyway to print it, to please print in some format that is big enough to read for somebody jokingly over 20 yrs. old to read. Mr. Woodyard stated if there were no other questions to feel

free in between meetings if you would like to contact him; he would be glad to answer any questions you may have.

Chairman Ford concluded by asking if there were any questions for the CEO on the monthly report. Hearing none he moved to the Consent Agenda Action Items.

**Consent Agenda Action Items:**

- 7.A Approval to Negotiate and Enter into Contracts for Supportive Services**
- 7.B CFFP Application-Strawn Tower and Parktowne Terrace**
- 7.C Strawn Tower Bond Inducement**
- 7.D Parktowne Terrace Bond Inducement**
- 7.E RFP Selection and Funds Commitment: 400 East Boulevard**
- 7.F Boulevard Homes HOPE VI-The City of Charlotte Commitment Budget Amendment: Boulevard Homes HOPE VI Grant Budget**
- 7.G Budget Amendment: Central Office Cost Center**
- 7.H Budget Amendment: Asset Management Project**
- 7.I Budget Adoption: 2011-2012 Annual Program Budgets**

**ACTION:**

Motion was made for approval of all consent items by: Commissioner Hill  
Motion was seconded by: Commissioner Sumter  
Outcome: Passed unanimously

**Business Agenda Action Items:**

**8.A Authorize the CEO to Enter into a Memorandum of Understanding for a Local Community-Based Rental Assistance Program:**

Authorize the CEO to enter into a Memorandum of Understanding with the Workforce Initiative for Supportive Housing (W.I.S.H.) for the purpose of providing housing subsidy to homeless families receiving intensive supportive services for a local CBRA program. Mr. Wright, COO, explained that this was discussed at the Client Relations Committee meeting. This is a 50 unit pilot program with similar requirements and processes as the current W.I.S.H. program with the City of Charlotte. It has the following unique characteristics:

- 1.) entering participants will have an income of up to 30% AMI.
- 2.) CHA will provide a subsidy of up to \$500/per month.
- 3.) working households are expected to complete the program within 3 years with a 1 year extension.
- 4) non-working families are given a 4 year program requirement with a 1 year extension.
- 5) will cross-reference all applicants that are wait listed for preference per the Board direction.

- 6) CHA will reserve 5 – 15 vouchers for non-working households.
- 7) CHA will also monitor success factors such as: employment, educational initiatives, program graduation rates and report this information to the Board on a periodic basis.
- 8) The MOU with W.I.S.H. is intended to have an initial term of three years and subject to staff evaluation and CEO approval.

Mr. Wright asked for questions/concerns. Commissioner Sumter stated that she was aware this was discussed in Client Services but she was thinking that we had a concern about the continuum of services for the supportive services wrap-around services. She continued that if you give W.I.S.H. a three year contract and you've got a three year marker on some families and a four year marker on some of the others will they have the disruption of services with the other wrap-around supportive services? Mr. Wright commented yes. Commissioner Sumter inquired if someone else would have to come in and complete the service. Mr. Wright answered in the affirmative and added if the entire program goes away we would have to find alternate housing opportunities. This has been discussed internally and we decided that these candidates will be prime candidates for some of our other FSS locations and they would have access to those services at those locations. Commissioner Sumter accepted that explanation.

Chairman Ford asked for any other questions, Mr. Woodyard reminded Mr. Wright that you may want to bring up the update of a possible alternative for another pilot program. Mr. Wright informed that it has been discussed additional options with other providers that are out there. One has indicated interest however they have stated that they do not have the infrastructure in place but they are going to discuss it to determine if they can be a second component in the future.

**ACTION:**

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

**8.B CHA New 5 Year Designated Housing Plan:**

Approve a Resolution to approve CHA's New 5-Year Designated Housing Plan.

A. Rescind Resolution No. 1914.

Mr. Wright explained that the purpose of this item is to correct an administrative error by rescinding and correcting a resolution which was approved at the February 15, 2011 Board meeting. This new resolution will document the Board's previous approval to move the disabled population above the elderly population and CHA's preference list for the non-designated communities as well as it revises the designation of the Strawn



Vice-Chairman Miller questioned could anybody tell him the date CHA contracted to purchase this property? Mr. Squier responded that he knows April 2010 is when the EHG contract was approved therefore it would have been sometime prior to that date. Vice-Chairman Miller continued that he thinks the people who worked on that project are no longer with us, does anybody in the Real Estate Department know if we have any data? Mr. Squier stated that he did not have that data on hand. Mr. Squier deferred to Mr. Carl Harris, Sr. Construction Manager, who asked do you mean the closing of the property? Vice-Chairman Miller continued, no he wants to know when we first controlled the property so we can get an understanding of what we are dealing with. Ms. Michelle Allen, Sr. Development Officer, came forward to state that she believes it was around August 2009. Mr. Ralph Staley, CFO, stated that we started due diligence in July 2009 and completed the acquisition in October 2009. Vice-Chairman Miller continued that July 2009 is when we took control of the property so we could start investigating it. So that is 20 months ago. Mr. Squier agreed, however these particular items, we knew that there was asbestos containing materials for some time. We were trying to avoid disrupting those and now we have to. Vice-Chairman Miller stated that is not his question. He understands this stuff happens. His point is we have had a lot of turnover and we have new Board members, he wants to make a point that we have how many units here? Mr. Squier responded 104. Vice-Chairman Miller continued we have 104 units of senior housing, which we've had under control for 20 months. When do we expect to move people in? Mr. Squier responded the end of this year the construction will be completed. Vice-Chairman Miller continued that is 2 ½ years on 100 units. I don't know about anybody else but 2 ½ years on 100 unit building to be able to put senior citizens in, that to me doesn't feel good. He wants to make that point just for the new Board members that may not be aware of the history of this project. He wants to make a point, he is not arguing with where you are or what you are doing. He understands that you find stuff like this, but 2 ½ years, that troubles him. He continues, that would not happen in the commercial market. He concluded his comments.

Chairman Ford stated that he would like to note the commissioners comments and being here as a commissioner we have had some significant turnover; the commissioner knows that, beyond what we expected. We have added some staff, construction managers with tremendous amounts of experience so he feels comfortable going forward with the new process. He would like for you to note through documentation so we can learn from these experiences but at the end of the day he thinks that with what the real estate staff has dealt with internally, with the personnel changes that were beyond their control, staff held up well under those circumstances. Chairman Ford continued that he wants to commend staff for what you were able to do and what you were able to deal with during that particular time. He understands the time frame however we have new staff on board

and he feels comfortable going forward so if there are no further comments on this particular action item then he would like to request a motion for approval.

**ACTION:**

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

Chairman Ford stated that he would like put a pen in the regular Board meeting for the Charlotte Housing Authority because he wants to come back and hold a closed session for the purpose of discussing legal matters. However within this agenda we have Horizon Development Properties, Inc. Horizon Acquisition and C.O.R.E. but he would like to get a motion.

Mr. Sherrod Banks, General Counsel, interrupted stating that Chairman Ford needs to request a motion to suspend the housing authority Board meeting, and then open the Horizon Development Properties Board meeting, thereafter Horizon Acquisition, thereafter C.O.R.E.

Chairman Ford continued that he needs a motion. The motion was made by: Commissioner Sumter; seconded by Commissioner Puckett; Outcome: Passed unanimously.

Once all the meetings were adjourned, a motion was made to enter back into the Regular Board Meeting to adjourn that meeting and enter into Executive Session.

Motion was made by: Commissioner Puckett, motion was seconded by: Commissioner Hill; Outcome: passed unanimously. Chairman Ford then requested a motion to go into Executive Session for the discussion of Legal Matters. Motion was made by: Vice-Chairman Miller; seconded by: Commissioner Puckett; outcome: passed unanimously.

Minutes respectfully prepared by:	Barbara G. Porter Executive Assistant to the CEO
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*Next meeting to be held on April 19, 2011 at the Charlotte Housing Authority/Central Office, 1301 South Boulevard, Charlotte, NC 28203 at 5:00 p.m. Dinner will be served for the commissioners promptly at 4:30 p.m. If any questions/comments, please do not hesitate to contact Barbara Porter @ 704.336.5221.*

**HORIZON  
DEVELOPMENT  
PROPERTIES,  
INC.**

**04/19/2011**

**Horizon Development Properties, Inc**  
**Board of Directors**  
**AGENDA**

*Central Office*  
*1301 South Boulevard*  
*Charlotte, NC 28203*

*April 19, 2011*

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***Directly After CHA Board Meeting – Meeting Convenes:***

Regular Meeting Agenda:

1. Additions to the Agenda
2. Consideration to Approve the Minutes for:
  - Regular Meeting held on *March 15, 2011*
3. **Business Agenda Items:**
  - A. Deferred Development Fees for Strawn Tower and Parktowne Terrace  
**(p.1)**

## **Business Agenda:**

**Business Agenda item for the April 19, 2011 Horizon Development Properties, Inc. Board of Directors meeting of the Charlotte Housing Authority.**

### **3.A Horizon Development Properties, Inc. – Deferred Development Fees for Strawn Tower and Parktowne Terrace**

**Action: Approve Resolution to Authorize Horizon Development Properties, Inc. to Include Deferred Developer Fees as a Source of Financing.**

**Staff Resource:** Chris Squier, J. Wesley Daniels

**Strategic Business:** Real Estate

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

#### **Background/Policy Framework:**

In June 2009 and August 2009, the Board committed MTW funding for the redevelopment of Parktowne Terrace, Charlottetown Terrace and Parktowne Terrace. Due to availability of stimulus funds, Staff pursued dual, financing tracks of Capital Fund Recovery Competition (CFRC) and Capital Fund Financing Program (CFFP). Staff presented both CFFP and CFRC summaries to the Board.

The Board was briefed on the fundamental outline of the proposed CFFP structure which included Strawn, Charlottetown and Parktowne. The Staff presentation included a review of the CFFP program which was first approved by the Board as a financing mechanism in 2007. The program essentially allows CHA to commit future capital fund allocations towards debt service on bonds that fund the rehabilitation of public housing.

In March 2011, the Board approved the bond inducements for Strawn Tower and Parktowne Terrace.

#### **Explanation:**

Staff is requesting Board approval to adopt a resolution to allow Horizon Development Properties, Inc. to defer a portion of its developer fees to finance the acquisition and rehabilitation of Strawn Tower and Parktowne Terrace. The NCHFA 2011 Qualified Allocation Plan required that all “non-profit organizations must include a resolution for the Board of Directors allowing such a deferred payment obligation to the project”. In our January 2011 application, CHA indicated deferred development fee could be a source of financing. While at this time staff is not anticipating having any deferred fee, a resolution authorizing deferred fee is needed to satisfy the January 2011 application, and to allow the flexibility needed as final bond financing is determined.

In January 2011, staff submitted new tax credit applications for Strawn Tower and Parktowne Terrace. CHA intends to provide for the implementation of a financing transaction involving the issuance of bonds by the North Carolina Housing Finance Agency (“NCHFA”) in the aggregate principal amount of not to exceed \$11.0M for Strawn Tower and \$10.5M for Parktowne Terrace. CHA will be redeveloping Strawn Tower and Parktowne Terrace utilizing HUD’s Capital Fund Financing Program.

**Committee Discussion:**

TBD

**Community Input:**

Resident meetings and design charettes have been held several times over the past two years.

**Section 3/MWBE Consideration:**

Staff will ensure that CHA’s Section 3/MWBE policy goals are prominently incorporated in all agreements with the construction manager. As a component of the selection criteria, the construction manager committed to meet and exceed these goals.

**Funding:**

Tax-Exempt Bonds

MTW Funds (MTW)

Tax Credit Equity

Housing Trust Fund (HTF)

Energy Efficiency Community Block Grant (EECBG)

Deferred Development Fee

**Attachment:**

Resolution

**RESOLUTION  
BOARD OF DIRECTORS OF  
HORIZON DEVELOPMENT PROPERTIES, INC.**

**TO AUTHORIZE HORIZON DEVELOPMENT PROPERTIES, INC. TO INCLUDE  
DEFERRED DEVELOPER FEES AS A SOURCE OF FINANCING**

**WHEREAS**, Horizon Development Properties, Inc. ("Horizon") will be acting as developer for the substantial rehabilitation of each of Strawn Tower and Parktowne Terrace, which renovation will be financed with a combination of tax exempt bonds, low income housing tax credits, funds from the Charlotte Housing Trust Fund and other sources; and

**WHEREAS**, Horizon has submitted two applications to the North Carolina Housing Finance Agency ("NCHFA"), one for Strawn Tower II - APP11-0096 (the "Strawn Tower Application") and one for Parktowne Terrace II - APP11-0097 (the "Parktowne Application") for an allocation of volume cap for the tax exempt bonds (as required by Section 146 of the Internal Revenue Code of 1986, as amended), which will in turn entitle each project to receive low income housing tax credits; and

**WHEREAS**, the NCHFA requires that each project comply with the 2011 Qualified Allocation Plan (the "QAP") in order to be eligible for an award of volume cap and tax credits; and

**WHEREAS**, as part of each application for volume cap, Horizon has described the sources of funds needed to finance each project, which include deferred developer fees; and

**WHEREAS**, the QAP requires Horizon, as a non profit corporation, to adopt a resolution allowing the deferral of the developer fee as one of the sources of funding for each project;

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Directors of Horizon Development Properties, Inc. on the 19<sup>th</sup> day of April, 2011:

1. The Board hereby authorizes and ratifies all actions taken by the officers and employees of Horizon in connection with the filing of the Strawn Tower Application and the Parktowne Application.

2. The Board hereby agrees that the developer fee may be deferred as part of the financing of the Strawn Tower Project and the Parktowne Terrace Project, and approves such deferred developer fee as one of the sources of financing for each project.

**RECORDING OFFICER'S CERTIFICATION**

I, Barbara Porter, the duly appointed Secretary of the Horizon Development Properties, Inc., do hereby certify that the above items were properly adopted at a regular meeting held April 19, 2011.

(SEAL)

By: \_\_\_\_\_  
Barbara Porter  
Secretary

**MINUTES OF HORIZON DEVELOPMENT PROPERTIES, INC.  
BOARD MEETING HELD ON TUESDAY, MARCH 15, 2011**

**Regular Meeting:**

**Additions to the Agenda:**

*None*

**Consideration to approve the Minutes for:**

- Regular meeting held on *February 15, 2011*

**ACTION:**

Motion was made by:	Commissioner Hill
Motion was seconded by:	Commissioner Sumter
Outcome:	Passed unanimously

**Business Agenda:**

**3.A Budget Adoption: 2011-2012 Annual Program Budgets:**

Approve a resolution which adopts the Administrative Program budget, the Field Operations Program Budget and the Real Estate Program Budget for the fiscal year ending March 31, 2012.

Mr. Staley, CFO, came forward to explain that this item is before you to adopt the program budgets which include the CHA and Horizon. The CHA side of this has already been approved. However it was discussed in committee that all the budgets be combined therefore we are asking your approval of the 2011 – 2012 annual program budgets. Chairman Ford asked for questions, hearing none, he asked for a motion for approval.

**ACTION:**

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

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

Approve an amendment of the Horizon Development Properties, Inc. budget for the fiscal year ended March 31, 2011.



Mr. Staley continued this item went through the Finance & Audit Committee where it was unanimously approved. This is reallocating funds within Horizon Properties between line items so we can clean up the year end. Chairman Ford asked for questions, hearing none, he asked for a motion.

**ACTION:**

Motion was made for approval:	Vice-Chairman Miller
Motion was seconded by:	Commissioner Sumter
Outcome:	Passed unanimously

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Chairman Ford announced that we will adjourn the Horizon Development Properties, Inc. Board of Directors meeting. We will now move into the Horizon Acquisition Corporation meeting. Motion carried.