

***Board of Memphis and Shelby County***

***Community Redevelopment Agency***

*CITY HALL 125 NORTH MAIN STREET SUITE 450, MEMPHIS TENNESSEE 38103-2084 (901) 576-6610*

**MINUTES**

**Meeting of the Policies and Procedures Committee**

**125 N. Main Street, Conference Room A**

**Date: August 16, 2012**

**Meeting Attendance**

**Policies and Procedures Committee Members**

|  |  |  |  |
| --- | --- | --- | --- |
| **OFFICERS/MEMBERS** | **Name** | **PRESENT** | **ABSENT** |
| **Chairman** | **Deborah Daniels** | **X** |  |
| **Vice Chairman** | **Ann Langston** |  |  |
| **Member** | **Michael Massey** | **X** |  |
| **CRA Board Member** | **Luke Hill** | **X** |  |
| **CRA Board Member** | **John B. Smith** | **X** |  |

**Legal Staff:** None

**DPD/CRA Staff:** Clara Harris, Principal Planner; Marion Jones, Senior Planner, and Verlean Kelly, MLC Secretary.

**Visitors:** Chere Bradshaw, Chris Gilliland, Luretha Phillips, Cornelius Sanders and Alexandra Zinn.

Meeting started at: 8:45 A.M.

**Agenda Item II.**

**Discussion: CRA Policies and Procedures: Draft Check List and Template for CRA**

**Area Non-Profit Organizations Seeking Partnerships Redevelopment Area**

**Applicant/Developer and CRA for Use of Tax Increment Revenue to Fund Projects**

**(Committee Recommendation)**

Clara Harris gave a recap of the origin of the Checklist and Template to be used by Non-Profit Organizations seeking use of Tax Increment Revenue Funds. Alexandra Zinn expressed concerned about some of the line items that possibly would not apply to all applicants and felt they should be removed from the Template, especially regarding holding public meeting with neighbors within or surrounding the area to see who may be in opposition. The Committee and Staff clarified for the Developers to create a radius of neighbor notices to be sent out to make the neighbors aware, offer comments either in favor or opposition but not specifically if they are in opposition. The Checklist and Template was approved with the following changes only:

1. In the Column Heading, “Organization” would be deleted and replaced with “Information Received”.
2. In the Column Heading, “Staff” would be deleted and replaced with “Staff Reviewed”.
3. Add to Column Heading “Basic Information”, a line item stating, Organization’s Board Approval of Project with Match funds.
4. Item 14, under “Basic Information”, statement should be added, “If PILOT has been awarded, and CRA Tax Increment Revenue Funds would not be available”.

All of the other line items remained as presented/submitted by CRA Staff.

Committee Chairman Daniels asked for a motion to approve the Checklist and Template. Committee Member Massey made a motion to approve the Checklist and Template to be used by Non-Profit Organizations seeking use of Tax Increment Revenue Funds with the noted changes. The motion was seconded by Chairman Daniels. The motion passed unanimously.

**Agenda Item III.**

**Discussion: Proposed Allocation of $600K of the $990K NS 14, North of Chelsea Funds**

**for a Housing Construction Grant to NMCDC (Committee Recommendation)**

Clara Harris stated that there were not enough funds available to allocate $600K due to the Burkle Estates ($269,500) project and Bear Water ($413270) project. Clara also stated that she spoke with OPD Finance Manager, Mary Lynn Seale to see how to document the re-allocation of the funds. She explained the process for the new Resolutions in order to move forward per Mary Lynn: 1) to decrease and re-allocate funds from NS 10, Area-wide acquisition and 2) increase and allocate funds to NS 14, North of Chelsea and the 3) another Resolution for the actual proposed project.

Committee Chairman Daniels had a question regarding the grant as proposed. Clara asked Cornelius Sanders and Chris Gilliland to give an overview of the project and current status.

Cornelius Sanders gave and overview of the proposed project and history of the neighborhood in which his nonprofit organization is soliciting funding to build 10 Single Family rental units. He also stated the project is proposed to do landscaping and infrastructure near and around KIPP Academy School which is in close proximity of the project site. He listed several phases of the project which included acquisition, demolition, clearing, on/off site improvements and construction of units was all going to be covered using the $600K.

Alexandra Zinn noted the correction and stated that the total cost of the project would be about $1.59M. She stated that the $600K was solely for new construction of the 10 units.

Cornelius added that it current costs roughly $89K to build a home. After being asked, he explained the rejection of the SCIF funds that were applied for and Federal Home Loan Bank for additional funds but applicants must show ownership or site control of the property in order to be considered. He stated the intent of his nonprofit for the neighborhood which was to improve the area and eliminate the old, dilapidated blighted properties. He added that he did not see why the funding for the project would not be approved as well as land purchases of future sites for NMCDC to develop.

After reviewing spreadsheet of funds to be used from Chris Gilliland (Belz), Committee Member Massey noted that the figures did not reconcile. Committee Member Massey stated that the spreadsheet shows that proximally $146K is going to be spent per home. He pointed out if the home costs $89K to build; $50K spent on blighted dilapidated homes, which is only $139K. He did not see the logic of spending that much on those properties nor the figures projected for the project. The Committee started asking questions and was concerned about the figures presented which was a “red flag”. Committee Chairman Daniels stated that the presentation of the spreadsheet did not make sense and as a Committee and Board members, they were obligated to act on the projects that make sense.

**RECOMMENDATION:**

Policies and Procedures recommended tabling Item III, Proposed Allocation of $600K of the $990K NS 14, North of Chelsea Funds for a Housing Construction Grant to NMCDC and setting up a meeting to let the Finance Committee review revised project description and financial report/spreadsheet. It was also requested for Alexandra Mobley-Zinn to forward that information in order to send out an email to the Finance Committee to allow time for review prior to its meeting. Committee Member Michael Massey made a motion for the recommendation and Committee Chairman Daniels seconded motion. The motion passed unanimously.

**Agenda Item IV.**

**Discussion: Proposed Adoption on Follow-up Document Required by Community**

**Redevelopment Plan for the Uptown Area – Uptown West Area Master Plan**

**(Committee Recommendation)**

Alexandra Zinn stated that she had a link that was currently being downloaded. The file was so large (110MB) that is was not completed in order to bring copies for review. She explained that the request was only to adopt the concept of redeveloping an area that would be called Uptown West.

Clara Harris made a suggestion/request which was to have either someone from LRK or John Dudas prepared to make an Uptown West presentation at the next CRA Board Meeting.

**RECOMMENDATION:**

Committee Chairman Daniels recommended tabling Item IV, Proposed Adoption on Follow-up Document Required for the Uptown West Area Master Plan and have the presentation made before the Board Members and allow a vote to take place on that day.

**Adjournment**

\*This meeting was adjourned at 10:00 a.m.