

COMMUNITY REDEVELOPMENT AGENCY BOARD MEETING



Board of the City of Memphis and Shelby County Redevelopment Agency

Downtown Memphis Commission (DMC)

114 N. Main St.

Memphis, TN 38103

Thursday, June 6, 2019

8:30 a.m.

Board Present:

McKinley Martin Jr. – Chairman
Kevin Spragling
Sam Cantor – Treasurer
Dynisha Woods
R. Miles Mason Sr. – Vice Chairman
Britney Thornton

Absent:

Ann Langston - Secretary

Also Present:

Rosalyn Willis – President, CRA
Andrew Murray – Director of Planning and Community Development,
CRA
Lisa Ivy - Office Manager, CRA
Felisa Cox – Senior Staff Attorney, City of Memphis
Monice Hagler – CRA Counsel

Visitors:

Greg Webb
Vlynn Evans
Alan Higdon
Tom Bailey

A meeting of the Board of Directors (“Board”) of the City of Memphis and Shelby County Community Redevelopment Agency was held on Thursday, June 6, 2019. All Board members were present with the exception of Ann Langston.

I. CALL TO ORDER

Chairman McKinley Martin called the meeting to order at 8:45 a.m. and a quorum was present.

II. Approval of MINUTES – May, 2019 (Board Action)

Chairman Martin called for approval of Board minutes from May 2, 2019. Upon motion made by Board Member Kevin Spragling and seconded by Board Member Miles Mason minutes were unanimously approved by the Board.

III. PUBLIC COMMENTS

There were no Public Comments.

IV. RESOLUTION APPROVING LEASE FOR ACCOUNTING SPACE: Item 6619A (Board Action)

Chairman Martin called for board action Item 6619A Resolution Approving Lease for Accounting space. President Willis has identified someone to start putting all of 2018 - 2019 expenditures into the system. Ms. Evans is working on completing the 2018 audit. Marie Shoemaker is a CPA who will be assisting the CRA with getting the financial records in order. President Willis would like to start Mrs. Shoemaker as a consultant with consideration of full-time as Chief Operating Officer for the agency and have her housed at 119 Peabody Place, a one room space. Mrs. Shoemaker will be housed close to Ms. Evans in order to collaborate on an as needed basis. The space can be a 6 to 12-month lease; for a 6-month lease the cost is approximately \$500+ and for a 12-month lease will be \$600+. The CRA will have to pay for secure online service. Chairman Martin called for motion to approve leasing accounting space. Upon motion to approve the leasing of office space for accounting with a report in six months by Board Member Mason, seconded by Board Member Spragling and opposed by Board Member Cantor. The Board approved resolution leasing of accounting space with four Board Members in favor and one abstention by Board Member Cantor.

V. RESOLUTION APPROVING CHANGES TO SINGLE FAMILY REHAB PROGRAM: 6619B (Board Action)

Chairman Martin called for item 6619B – Resolution approving changes to Single Family Rehab Program. President Willis stated there are approximately 24-25 houses ready to start rehab work. Referring back to the resolution in 2017, there is a cap of \$30,000 for each household; currently the quoted cost to rehab over half of the homes on the list exceeds that amount. President Willis and Allworld have gone through the homes and understand where the issues are along with the conditions of the homes. President Willis is asking for flexibility to evaluate and approve above the cap based on a case-by-case basis. Chairman Martin asked if there is a median figure of \$50,000. President Willis responded there would be no set figure applied on a case-by-case basis. Most of the homes are in the North Parkway corridor. Mr.

Murray stated that most of these homes do not appraise for enough to get a home loan to get the work done. Board Member Spragling asked about how many homes will exceed the \$30,000 in this round. President Willis stated about half will exceed \$30,000, but most will not exceed \$50,000. Board Member Spragling stated he would be in favor of the motion with a report at the end to see who exceeded the amount and to also see if there would be a need to go to Policies and Procedures to increase the amount. Board Member Cantor stated he was also in favor of this action. Chairman Martin called for motion to approve changes to Single Family Rehab Program. Upon motion to approve changes to Single Family Rehab Program made by Board Member Spragling, seconded by Board Member Mason, the Board unanimously approved the changes to Single Family Rehab Program.

VI. STAFF REPORTS & UPDATES:

President Willis stated the CRA has been working on developing and tracking data into a GIS system to determine priorities. Last month the Board approved work with Safeway Company. Safeway has been out collecting data; such as, crime statics, lack of light, as detailed as cracks in the sidewalks, along with other data. This tool will be used to scan the neighborhood to see the area that has the most problems in order to prioritize what needs to be done. The alley work is moving forward. One of the alleys is on quicksand and the City has taken over the work to do geotechnical work before the actual paving can be finished. A development went before the Board of Adjustments and they needed a waiver. It is an interesting project of six double stack one-bedroom flats across from Humes Middle School. President Willis stated she is really enthused by this project and looking for CRA involvement. Promise Development is starting on their project and the Oasis of Hope is almost done with their project. The Grind City Brewery is moving forward with their project.

Community Development: (Andrew Murray)

CRA is buying a 100-ft. long culvert, and the City is buying the land. CRA is reimbursing the City for the extension to the Chelsea Greenline Trail. President Willis stated that this supports the access way to the Brewery and will be a path for other things (i.e. walking, bicycling, and carriages). President Willis is finishing up with the application for the culvert to be shipped. The City will do all the construction work. Mr. Murray stated a nice trail will be built for people to walk from Downtown to Bearwater. The owners of the church at 299 Chelsea are interested in selling; we are working with the City and the property owner to get that resolved. President Willis stated the CRA is planning another community event with Hope Presbyterian Church called "Go and Do" on July 20th focusing in areas around Bickford. President Willis introduced Austin Harrison as part of the CRA team.

Finance: (VlynnEvans)

Ms. Evans stated she had conversations with Mary Lynn Seale, Michael Roy, and Jason Pittman concerning the audit. They have spent the last thirty days in discovery mode, they have identified all components of what needs to be done and formalized to have the audit completed by June 30, 2019. Ms. Evans has reviewed an old computer used by Ms. Seale with an old offline accounting software; now they are taking the information from the old computer for a six-month period (of FY 2017-2018) and ATA accounting firm information for the other six months, along with Ms. Evans' additional information, putting it into a Quickbook profile using the chart of accounts ATA was using. They are using an excel spreadsheet to add all information needed and putting it into one system to have one accounting software package that includes financial reporting for the agency through June 30, 2018. Ms. Evans is now looking at all the payroll transactions ensuring that salaries and benefits has been allocated to the appropriate projects or operations, looking at the revenue ensuring that it is properly calculated and recorded by project, and ensuring that the expenses are allocated appropriately. They also are looking at transactions that may have been paid directly by the City on behalf of the CRA from the CRA funds that were held by the City in order to make sure they were paid from the appropriate account, and that receivables are setup for proper cash balances by project. Ms. Evans stated that her goal is to have everything that the auditors need for the audit by the July 11th board meeting and that will complete June 30 audit. CRA continues to have a positive cash flow. The bond payments are current with the next payment due in October. When Chairman Martin signs checks today, May accounts payable will be current, and once payroll is processed through Adams Keegan, all payroll and payroll taxes are current.

Legal: (Monice Hagler)

Mrs. Hagler stated they have been supporting CRA staff with contracts and agreements with varies approvals, Grind City contracts has been forwarded to staff and they are being reviewed, for the culvert project with the City, a memorandum agreement has been prepared and forwarded to the City and is waiting on a response. Mrs. Hagler is also supporting Mr. Murray with the Uptown TIF Expansion Amendment.

VII. BOARD DISCUSSION: UPTOWN TIF EXPANSION AMENDMENT

Mr. Murray inserted in the board packet a map of the boundaries and parcels count, the application will be ready on Friday. The application will include: the amendment to the Redevelopment Plan for Uptown, the map of the boundaries and parcels, a legal description, a cost benefit analysis that will show the revenues and budget for the additional area, identify the request, a qualification analysis to show this area is blighted and in need of affordable housing, and blight remediation. The goal is to get the TIF Amendment adopted by October, 2019. Board Member Cantor asked if there were any developments in the orange area (area to be removed) or if there was going to be any tax increment lost. Mr. Murray's response was that there is no increment to speak of coming off the area in orange; it is all own by Tower Ventures or held by an LLC of Tower Ventures. This only covers the residential areas, the industrial areas were left out intentionally. Board Member Thornton asked if there are

members on the Advisory Committee from the new areas. Mr. Murray answered yes, from the last board meeting Ms. Mary Wainwright, Mary Warren, and a few from Bickford. President Willis commented that a Phase I environmental analysis is done on all projects.

VIII. UNFINISHED BUSINESS

Chairman Martin stated the State of the CRA and the status of projects expected during this year have been emailed to board members by Mr. Murray. Mr. Murray stated this is a summary that was put together for the Shelby County Commissioners. Board Member Cantor asked about the status of the video. President Willis stated Trust Marketing has footage they have taken and has been informed we needed to see what they have done by August, 2019. (Information Attached)

IX. NEW BUSINESS

Board Member Cantor mentioned that Elmington Capital the National Developer has a project coming before the Land Use Control Board on the East side of Main St. and asked if the Board / CRA is for this project, if so should the Board be formulating any type of support for them? President Willis sent their application over and has spoken with their engineers. It is not before the Land Use Control Board, it should be an administrative approval.

X. ADJOURNMENT

With no additional business to be discussed; the meeting was adjourned at 9:50 a.m.

Respectfully submitted,



Ann W. Langston