

Housing Authority of the City of Charlotte

Regular Meeting of the Board of Commissioners

Central Office
1301 South Boulevard
Charlotte, NC 28203

August 29, 2008

12:00 p.m. - Regular Board Meeting Convenes:

Regular Meeting Agenda:

1. Pledge of Allegiance
2. Public Forum
3. Additions to the Agenda
4. Consideration to Approve the Minutes for:
 - Regular Board Meeting held *June 17, 2008 (Tab 7)*
5. Resident Advisory Council (RAC) Report
6. Monthly Report from the CEO
 - a) Monthly Scorecard **(Tab 1)**
 - b) Preliminary Budget to Actual Reports (BAR) June 30, 2008 **(Tab 2)**
 - c) Cash and Balance Restriction Report June 30, 2008 **(Tab 3)**
 - d) Land Sales Proceeds Report June 30, 2008 **(Tab 3)**
 - e) Administrative Budget Changes **(Tab 3)**
 - f) Moving to Work Update
 - g) Housing Legislation Update
7. Committee Reports:
 - Client Relations Committee
 - Development Committee
 - Finance and Audit Committee
8. **Consent Agenda Action Items:**
 - A. Approve Amended & Restated CHA Scholarship Fund Bylaws **(p.1)**
 - B. Budget Amendment: Central Office Cost Center Budget **(p.2)**
 - C. Approve 2008 Housing Trust Fund Grant Project Budget **(p.3)**
 - D. Budget Adoption: 2007 ROSS Elderly Grant Budget **(p.4)**
 - E. Budget Amendment: 2005, 2006 and 2007 Capital Fund Grant **(p.5)**
 - F. Budget Amendment: MTW Fund **(p.6)**
 - G. Budget Amendment: Earle Village Hope VI Grant (First Ward) Project **(p.7)**
 - H. Audit Report for Fiscal Year 2007-2008 **(p.8)**

- I. Budget Amendment: Asset Management Project Budget (**p.9**)
 - J. Renewal Authorization for Banking Depository Agreements (**p.10**)
 - K. Collection Loss Report for the Quarter Ended 6/30/08 (**p.11**)
9. **Business Agenda:**
A. CHA Scholarship Fund Board Appointment
10. **Discussion:**
A. *The Atlantic's* "American Murder Mystery" Article (**Tab 6**)
11. **Executive Session:**
A. Legal Matters
B. Real Estate Matters

Consent Agenda:

Consent Agenda items for the August 19, 2008 Regular Board Meeting of the Charlotte Housing Authority Board of Commissioners.

8. A Amended and Restated By-Laws of the CHASF

<p>Action: Approve Resolution No. 1559 to Authorize CHA to Amend the Charlotte Housing Authority Scholarship Fund By-Laws.</p>

Staff Resource: Troy D. White

Strategic Business: Operations

Strategic Goal: Facilitates the Development of the Client Families' Highest Potential

Explanation:

On October 11, 1983, the Board of Commissioners of the Charlotte Housing Authority (“CHA”) created the Charlotte Housing Authority Scholarship Fund (“CHASF”) to provide scholarships to residents of housing owned or managed by the CHA who desired to continue their education beyond the secondary school level. The Advisory Board (the “Board”) was originally created by CHA to discharge the responsibilities as described in these By-Laws.

Since its founding the purpose of CHASF has expanded to include individuals who reside in Section 8 housing. In addition, CHASF encourages and assists residents of housing owned or managed by CHA and individuals who reside in Section 8 housing in the transition from high school to post-secondary school.

As of November 7, 1983, pursuant to a memorandum of understanding, CHASF became a fund of Foundation For The Carolinas, a community foundation serving primarily North and South Carolina.

The objectives for which CHASF was formed are as follows:

- a. To receive as a fund of Foundation For The Carolinas gifts, grants or bequests to provide scholarships for the residents of housing owned or managed by the CHA and individuals who reside in Section 8 housing to continue their education beyond secondary school.
- b. To encourage and assist residents of housing owned or managed by the CHA and individuals who reside in Section 8 housing to continue their education beyond secondary school.

- c. To conduct and support charitable fund raising activities and other activities to promote and support the purpose of CHASF as described above in Article I.

Committee Discussion:

The Client Relations Committee met on August 6, 2008 and unanimously approved Resolution 1559.

Funding:

None

Attachment:

CHASF Bylaws (Tab 4)

Resolution No. 1559 (Tab 5)

8. B Budget Amendment: Central Office Cost Center Budget

Action: Approve Resolution No. 1598 to Amend Resolution No. 1585 which Amended the Central Office Cost Center Budget for Fiscal Year Ending March 31, 2009.

Staff Resource: Ralph Staley

Strategic Business: Finance and Administration

Strategic Goal: Attain Long – Term Financial Viability

Explanation:

Staff is requesting the appropriation of fund balance for the renovations for the Board Room at the Central Office. These changes include new board room table, new carpet, paint and flat screen and display. The cost for the renovations is \$32,000. These changes can be seen in Exhibit A and the budget remains balanced with the appropriation of fund balance.

Committee Discussion:

This item was discussed and unanimously approved at the Finance & Audit Committee meeting on August 6, 2008.

Funding:

Fund Balance Appropriated

Attachments:

Exhibit A-Central Office Cost Center Budget (Tab 4)

Resolution No. 1598 (Tab 5)

8. C Approve 2008 Housing Trust Fund Grant Project Budget

Action: Approve Resolution No. 1599 to Adopt the 2008 Housing Trust Fund Grant Project Budget.

Staff Resource: Ralph Staley

Strategic Business: Finance Administration

Strategic Goal: Attain Long Term Financial Viability

Explanation:

In 2001 the North Carolina State Legislature passed General Statute 159-42 entitled “Special regulations pertaining to public housing authorities”. The statute requires Housing authorities to adopt a project ordinance as defined in General Statute 159-13.2, for those programs which span two or more fiscal years. In the past the authority has presented budgetary information on grant projects as a part of the grant process, but has not set out a separate resolution to adopt a grant project ordinance. In an effort to clearly show compliance with the State statute, the staff of the authority intends to prepare a grant project ordinance for each grant and have the Board adopt the project ordinance by resolution.

We are presenting in this agenda item the 2008 Housing Trust Fund Grant Project Budget of \$1,197,679. Of that amount, \$548,366 is for interior and exterior renovations at Robinsdale. The amount of \$649,313 is for the modernization of the elevators and the purchase of air conditioning units at Edwin Towers. The attached Exhibit A shows the amount awarded and the expenses in the site improvement /dwelling units category. This funding was awarded by the City of Charlotte and needs to be approved by the Board of Commissioners.

Committee Discussion:

This item was discussed and unanimously approved at the Finance & Audit Committee meeting on August 6, 2008.

Funding:

2008 Housing Trust Fund Grant

Attachments:

Exhibit A-Housing Trust Fund Grant Budget (**Tab 4**)

Resolution No. 1599 (**Tab 5**)

8. D Budget Adoption: 2007 ROSS Elderly Grant Budget

<p>Action: Approve Resolution No. <u>1600</u> To Adopt the 2007 ROSS Elderly Grant budget.</p>

Staff Resource: Ralph Staley

Strategic Business: Finance and Administration

Strategic Goal: Attain Long Term Financial Viability

Explanation:

The Board of Charlotte Housing Authority, acting through its delegated officers, has the primary responsibility for ensuring that the organization is operated in an efficient and economical manner and that its financial integrity is maintained. This responsibility is exercised through the review, approval and control of the Operating Budgets. This Board Agenda Item is the formal resolution related to the Board adopting the 2007 ROSS Elderly budget in the amount of \$450,000 as shown in Exhibit A.

The 2007 ROSS Elderly grant will provide funding to continue established socialization and wellness programs for the Charlotte Housing Authority elderly residents and it also covers the cost of administering these programs.

The attached Exhibit A shows the budget by major categories as awarded by HUD which needs to be approved by the Board of Commissioners.

Committee Discussion:

This item was discussed and unanimously approved at the Finance & Audit Committee meeting on August 6, 2008.

Funding:

2007 ROSS Elderly Grant Budget

Attachments:

Exhibit A-2007 ROSS Elderly Grant Budget (**Tab 4**)

Resolution No. 1600 (**Tab 5**)

8. E Budget Amendment: 2005, 2006 and 2007 Capital Fund Grant

Action: Approve Resolution No. 1603 to authorize the amendment of Resolution Nos. 1512 and 1538 which adopted the 2005, 2006 and 2007 Capital Fund Grants respectively.

Staff Resource: Ralph Staley

Strategic Business: Finance Administration

Strategic Goal: Attain Long Term Financial Viability

Explanation:

Due to the Moving To Work initiative and the asset management decision making model, capital funds renovation project priorities have been adjusted. This budget revision accounts for those adjustments to the 2005, 2006 and 2007 Capital Fund Grant project budgets. Also we are expending funds in the oldest grant first. The reallocation of expenses is shown in Exhibits A, B, and C.

Committee Discussion:

This item was discussed and unanimously approved at the Finance & Audit Committee meeting on August 6, 2008.

Funding:

2005 Capital Fund Grant

2006 Capital Fund Grant

2007 Capital Fund Grant

Attachment:

Exhibit A-2005 Capital Fund Grant Budget (**Tab 4**)

Exhibit B-2006 Capital Fund Grant Budget (**Tab 4**)

Exhibit C-2007 Capital Fund Grant Budget (**Tab 4**)

Resolution No. 1603 (**Tab 5**)

8. F Budget Amendment: MTW Fund

Action: Approve Resolution No. 1604 to Amend Resolution No. 1592 which Amended the MTW Fund Budget for the fiscal year ending March 31, 2009.

Staff Resource: Ralph Staley

Strategic Business: Finance Administration

Strategic Goal: Attain Long Term Financial Viability

Explanation:

This amendment outlines adjustments to the Moving To Work (MTW) Fund. Two major categories of adjustments are being detailed below. They are updated information for MTW revenue and first year MTW adjustments to ensure funding for projects to complete first year MTW plans.

When the 2008-2009 budget was prepared, staff estimated amounts for the Public Housing Subsidy, Section 8 HAP Subsidy, Section 8 Administration Fees and Capital Fund Grant. Staff can now adjust those amounts based on new information from HUD. Final financial information from last fiscal year is now available and staff has included interest income as part of the MTW revenue.

MTW Initiatives

The major functional areas of the Charlotte Housing Authority submitted their request for MTW funds for their MTW projects for fiscal year 2008-2009.

Executive Division

The MTW department shown in the Administrative (\$493,490) and Capital area (\$65,000) is charged with the responsibility of oversight of the MTW Program and is requesting additional funds of \$558,490 for the following reason:

1. for the development and maintenance of the MTW Program as it relates to program evaluation, promotion and consultants to effectively implement the MTW program both internally and externally- specifically, including an expansion of the City Housing Study

Operations Division

The Operations Division is responsible for the daily management of all subsidized housing owned by the Authority and its subsidiaries, all programs to increase resident social and economic capacity, and all projects associated with the preservation of the assets in the Authorities real estate portfolio. As such the Operations division is requesting funds of \$1,744,912 for the following reasons:

1. enhanced reporting, outcome tracking and matrix measuring;

2. rent simplification and work requirements;
3. asset building support services which includes the case management for Tier 1 participants, the Gateway Program and HOPE VI CSS case management; and
4. the development of youth programs and to address prevalent issues.

Operating Transfers Out - Public Housing (-\$1,062,806) represents the net of reduced subsidy and the amount of money transferred for the Operations Divisions projects to the Asset Management Projects.

Real Estate Division

The Real Estate Division is responsible for providing the maximum number of high quality mixed income units that serve our target market and promote economic integration. The Real Estate Division is requesting funding in the amount of \$16,803,750 for the following reasons

1. the acquisition of additional units and
2. MTW funding for Seneca Woods and Fairmarket Square Apartments rather than of land sale proceeds;

Exhibit A shows the net adjustments to revenue and expense in the amount of \$9,884,681.

Committee Discussion:

This item was discussed and unanimously approved at the Finance & Audit Committee meeting on August 6, 2008.

Funding: Moving To Work

Attachments:

Exhibit A-Moving to Work Budget (Tab 4)
Resolution No. **1604** (Tab 5)

8. G Budget Amendment - Earle Village Hope VI Grant (First Ward) Project

Action: Approve Resolution No. 1605 to amend Resolution No. 1565 which adopted the Earle Village Hope VI Grant (First Ward) Project Budget.

Staff Resource: Ralph Staley

Strategic Business: Finance Administration

Strategic Goal: Attain Long Term Financial Viability

Explanation:

This budget revision is to recognize the anticipated program income for fiscal year ending March 2009. Program Income is in the form of ground lease fees and interest earned on Notes Receivable from First Ward Place I & II as well as the bank account.

The increase and revenue and expenses can be seen on the Attached Exhibit A.

Committee Discussion:

This item was discussed and unanimously approved at the Finance & Audit Committee meeting on August 6, 2008.

Funding:

Earle Village Hope VI Grant (First Ward)

Attachments:

Exhibit A-Earle Hope Village VI (First Ward) Budget (**Tab 4**)
Resolution No. 1605 (**Tab 5**)

8. H Audit Report for Fiscal Year 2007 – 2008

Action: Approve Resolution No. 1606 to Approve and Accept the Comprehensive Annual Financial Report for the Fiscal Year Ending March 31, 2008

Staff Resource: Ralph Staley

Strategic Business: Finance and Administration

Strategic Goal: Attain Long Term Financial Viability

Explanation:

McGladrey & Pullen, LLP has completed their audit of the Housing Authority of the City of Charlotte for the period ended March 31, 2008. With this resolution the Board is asked to approve and accept the Audit Report as prepared by McGladrey & Pullen, LLP and the Financial Statements as prepared by CHA Staff.

Committee Discussion:

This item was discussed and unanimously approved at the Finance & Audit Committee meeting on August 6, 2008.

Community Input:

None.

Funding:

None.

Attachment:

Resolution No. 1606 (Tab 5)

8. I Budget Amendment: Asset Management Project Budget

<p>Action: Approve Resolution No. <u>1607</u> to Amend Resolution No. 1586 which amended the Asset Management Project Budget for the Fiscal Year Ending March 31, 2009.</p>
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Staff Resource: Ralph Staley

Strategic Business: Finance and Administration

Strategic Goal: Attain Long Term Financial Viability

Explanation:

This amendment to the Asset Management Project budget directly reflects the adjustments in the Moving To Work budget as it relates to the transfer from the MTW Fund in the amount of -\$1,062,806. Other revenue represents funding for the CSS budget to provide case management for Section 8 and Section 9 participants in mixed financed properties. Staff is requesting an increase in revenue in the amount of \$329,250 which represents the total of all social services fees negotiated with each individual mixed financed property. Additional Other Revenue in the amount of \$18,850 represents miscellaneous income that was not previously recorded.

Adjustments to expenses include:

1. funds in the amount of \$50,409 in the Administrative category for changes in staffing;
2. funds in the amount of \$2,068,787 in the Tenant and Social Services category for MTW initiatives for Operations and CSS budget;
3. funds in the amount of \$217,593 in the Maintenance category for security at the elderly sites;
4. adjustment in the amount of -\$1,251,359 in the General category due to the reduction in subsidy reducing the future appropriations line item;
5. adjustment in the amount of -\$1,800,136 in the Other Items for a change of funds going directly to the Central Office Cost Center and a reduction in funding for the mixed finance communities.

The reduction in revenues and expenses are reflected on the attached Exhibit A in the amount of \$714,706.

Committee Discussion:

This item was discussed and unanimously approved at the Finance & Audit Committee meeting on August 6, 2008.

Attachments:

Exhibit A-Asset Management Project Budget (Tab 4)

Resolution No. 1607 (Tab 5)

8. J Renewal Authorization for Banking Depository Agreements

Action: Approve Resolution No. 1608 which amends Resolution No. 1594 for the Renewal of Banking Depository Agreements and Designation as Official Depositories to add Paragon Commercial Bank.

Staff Resource: Heather Franklin

Strategic Business: Finance and Administration

Policy: HUD PIH notice and N.C State Law

Explanation:

In December 2007 the Housing Authority published an RFP for banking services with one main provider. The result of that process was a Service Contract awarded to First Charter Bank/Fifth Third Bank by the Board. From time to time, the Housing Authority also places money in CD's and other accounts with area banks as needed for the financial benefit of Authority. These include First Trust Bank, Mechanics and Farmers Bank, Bank of America, Wachovia and Self-Help Credit Union.

The Board is asked to authorize the addition of Paragon Commercial Bank to the above list of banks the authority can maintain accounts with. This action is necessary in order to maintain appropriate audit trails.

HUD PIH Notice 2002-13 requires that the Housing Authority have a Banking Depository Agreement with all banks utilized and NCGS 159-31 requires that the governing board designate official depositories. With this item the Board will be giving approval of both renewals required in a single formal action.

Committee Discussion:

This item was discussed and unanimously approved at the Finance & Audit Committee meeting on August 6, 2008.

Attachments:

Resolution No. 1608 (Tab 5)

8. K Collection Loss Report for the Quarter Ended 6/30/08

Action: Approve the write-off of \$20,940.91 in accounts receivable due to collection losses for tenants vacated through 3/31/08.

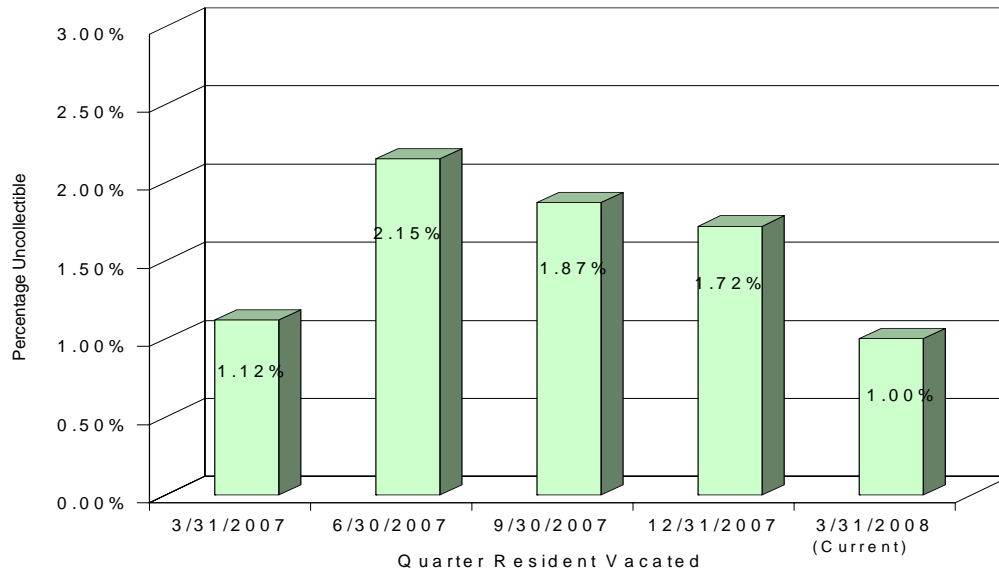
Staff Resource: Heather Franklin

Strategic Business: Finance Administration

Strategic Goal: Attain Long-Term Financial Viability

Explanation:

We are requesting to write-off as per the policy, the receivables outstanding as of June 30, 2008 from tenants who vacated during the quarter ending March 31, 2008. The amount proposed for write-off is \$20,940.91, which represents 1.00% of total charges for the quarter then ended. Below is a graphical depiction of the write-offs percentages over the past several quarters. All quarters below compare Total Charges.



Committee Discussion:

This item was discussed and unanimously approved at the Finance & Audit Committee meeting on August 6, 2008.

Community Input:

None.

Funding:

Conventional and Horizon Development

Attachment

Collection Loss Report, 6/30/08 (Tab 3)

**MINUTES OF THE REGULAR BOARD MEETING
OF THE COMMISSIONERS' OF THE HOUSING
AUTHORITY OF THE CITY OF CHARLOTTE
HELD ON TUESDAY JUNE 17, 2008**

The Board of Commissioners of the Housing Authority of the City of Charlotte, North Carolina held a regular meeting at the *Charlotte Housing Authority, 1301 South Boulevard, Charlotte, NC 28236* at 12:00 noon on June 17, 2008.

Present: *Chairman David Jones*
 Vice-Chairman Rodney Moore
 Commissioner Chris Moffat
 Commissioner Montega Everett
 Commissioner Will Miller
 Commissioner Dan Page

Absent: Commissioner Sandra Peters

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

Pledge of Allegiance:

Chairman Jones asked that we stand and recite the pledge. The pledge was led by Vice-Chairman Moore. Once completed, the public forum was opened.

Public Forum:

Chairman Jones asked if there were any speakers present; hearing none, the public forum was closed.

Additions to the Agenda:

None.

Consideration to approve the minutes for:

- Regular Board Meeting held *May 20, 2008*.

ACTION:

Motion was made to approve by:	Vice-Chairman Moore
Motion was seconded by:	Commissioner Everett
Outcome of the vote:	Passed unanimously

Resident Advisory Council (RAC) Report:

The report was given by Ms. Lucy Brown:

- o RAC thanked everyone for supporting their fundraiser.

Regular Board Meeting
June 17, 2008

- There was a grievance workshop held on June 10th by Ms. Linda Johnson, RAC Attorney. We look forward to sharing our information between CHA & RAC.
- RAC will conduct a mandatory meeting with the residents of Strawn Apartments on Wednesday, June 18, 2008 with RAC liaison and Ms. Donna Hughes, Client Services Director.
- The RAC monthly Quality Circle Meeting will be held on June 24th at 2:00 p.m. at the Strawn Community Center. All commissioners are welcomed. RAC is prepared to review the MOU between CHA, RAC and the residents.
- RAC is distributing applications for their scholarship fund. Also RAC made aware that they celebrated five high school graduates. A list of graduates was announced.
- It was announced that Ms. Mary Stitt, RAC President, granddaughter, Jasmine Nicole Stitt has enlisted in the U.S. Marines and will be leaving for boot camp in a few days.

Commissioner Moffat has committed to attend next Quality Circle meeting.

Monthly Report from the CEO

Monthly Scorecard:

Mr. Woodyard, CEO, introduced Mr. Troy White, COO, to present the report: During the month of May 2008 we have utilized 99.5% of our Section 8 vouchers; also we have put 86 vouchers on the street. It was noted for the Board that relating to those 86 vouchers the recipients will be going through the good neighbors training program.

On page two, it was mentioned that there was a technical error at the bottom which shows 15 plus 2, it should indicate 8 plus 2 and ten days total for the month. We are under the target.

Chairman Jones interrupted and questioned that the TARS (Tenants Accounts Receivable) is showing signs of declining. He asked if Mr. White could explain. He explained that there have been a few discussions, one of which is to change the measure. Chairman Jones suggested that this report would tell us more if this were a 30 day delinquency number and exclude the evictions. This may be a better test as to how well we are managing the property. This topic/question will be further pursued in the Client Relations Committee Meeting.

Referring to page three, privately managed properties, on an average are at 98% and 11 days vacancy turn days. Hearing no further questions/comments the final part of the CEO report will be discussed.

Regular Board Meeting
June 17, 2008

Moving to Work Update:

Mr. Woodyard began this report. The Charlotte Housing Authority has completed all the technical aspects of the MTW agreement. We have received contract approval, submitted the report and the annual plan. Presently, we are trying to accomplish things on the ground level here in Charlotte. Therefore, I would like direction on the best way to keep the Board updated on the movement of MTW and how much detail do they desire. At what intervals do you want to see information updates? Chairman Jones asked for examples. Mr. Woodyard stated the Ad Hoc committee, that the Board has put together, which is composed of two Board members and two CHA staff members, essentially is an MTW exercise. Mr. Woodyard has been working in the non-profit community and the quasi-governmental community to support our initiatives. Mr. Woodyard is having conversations with the United Way Director, CMS, and CIS and there are a lot of things swirling around MTW. He wants the Board to understand we are making progress. Chairman Jones stated that regarding the Ad Hoc committee, they will report when they have completed information. The two Board members on that committee will advise the Board if they feel it is something that they need support on. Concerning the conversations with outside agencies, he feels that the Board should get a fairly through briefing contemporaneously. Mr. Woodyard stated that he and Gloria Pace King, United Way Services Director, have had a series of conversations. Mr. Woodyard will meet with several stakeholders that she is putting together next week. Mr. Woodyard will keep the Board updated on a regular schedule.

Committee Reports:

Client Relations Committee:

The update was presented by Troy White, COO:

- The Client Relations Committee met on June 11, 2008, Vice-Chairman Moore called the meeting to order at approximately 10:05 a.m.
- There was a presentation from the University of North Carolina Charlotte regarding three studies they have been working on the past few months. The presentations covered affordable housing in relationship to crime, property values and school equity. There were a number of discussion items which will be incorporated in the final presentation that the University is working on.
- The committee agreed to have the next three meetings, starting with this last meeting, concerning a service delivery model.
- At the June 11th meeting we primarily discussed the data provided by CPCC which was presented on April 2, 2008. Additionally, data that was presented by Charles Woodyard, CEO, at the April 10th Board retreat was reviewed. The tiering system was included, which will be reviewed again.
- Commissioner Everett led the discussion, from a residents view point, concerning resident needs. Commissioner Miller led the discussion on the service delivery model and how it should be expanded. Mr. White, COO, thanked all the commissioners for their attendance.

Regular Board Meeting
June 17, 2008

- The next meeting scheduled to take place is July 2, 2008. It is the plan to have the Sextant Group to come in and do a piece on Generational and Situational Poverty. This is effort to help us to understand the population that we serve. In the August meeting, there will be a presentation given by Jeff Lubbell, the Executive Director for the Center for Housing Policies, to give additional models on that topic. Also, looking at a Service Advisor Forum which will be discussed some time in August.

Development Committee:

The update was presented by Commissioner Moffat:

- The meeting took place on June 11, 2008.
- Several items are present on the Consent Agenda; for action related to the Cherry Disposition of several scattered site parcels. The Fairmarket Square refinancing and approval of the RFQ selection of an Architect for the proposed CHA office building.
- Additionally, Tylee Keesler, Development Officer, presented the Strategic Asset Model Binder and she was thanked for a very thorough package. The information was based on Board approved policy on repositioning; as well as an analysis of each property.
- There was an Executive Session to receive updates on Real Estate matters related to the disposition of two pieces of real estate.
- Also it was a very busy month for the real estate group and for the Development Committee. Commissioner Moffat would like to thank the staff and the Commissioners that participated in the Urban Land Institute Panel on the Strawn Apts. redevelopment. Most were aware that on June 2 – 4 there was a three person panel from the Urban Land Institute that toured the property as well as the area. The results of their three day study were presented in the meeting on June 4, 2008; which will be summarized in a report due to be available next month. The draft report will be reviewed by staff and Board and eventually that report will be put on the web site.
- On June 10, 2008 LoriAnn Girvan, Executive Director, of the Common Ground Institute visited Charlotte to present information about their supportive housing model in New York and in other cities. This was an effort to review potential sites for possible development in Charlotte. CHA sponsored the visit in partnership with the Urban Ministries. The meeting was well attended. There will be a follow-up with the Urban Ministries to determine the next steps.

Finance and Audit Committee:

The update was given by Ralph Staley, CFO:

- ✓ The meeting took place at 1:25 p.m. on June 11, 2008.
- ✓ Consent Agenda items 8.E – 8.K were discussed and approved unanimously. Additionally items A-C on the Horizon Development Properties, Inc. Board agenda.

Regular Board Meeting
June 17, 2008

Consent Agenda Action Items:

Chairman Jones explained that these are the Consent Agenda action items which previously have been brought before their individual working committees. At this time you can select any item for discussion if you need further information or you can leave all the items as they are shown under consent through **Item 8.A – Item 8.K.**

ACTION:

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

Chairman Jones asked the Board to make a decision on regarding having a July and/or August meeting. The decision was **not to have** the July Board meeting and leave the decision of committee meetings up to their chairpersons. The regular Board meetings will reconvene in August 2008. The Board came to a consensus on this decision.

Chairman Jones then asked for a motion to suspend the meeting to go into Horizon Development Properties, Inc. meeting.

ACTION:

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

Once Horizon Development Properties, Inc. was adjourned there was a motion to go back into regular session; therefore, calling for adjournment to go into Executive Session to discuss personnel matters.

ACTION:

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

The next meeting will be held on August 19, 2008 at the Charlotte Housing Authority, 1301 South Boulevard, Charlotte, NC 28203 starting promptly at 12 noon. Lunch will be served at 11:30 a.m.

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

Horizon Development Properties, Inc
Meeting of Directors
AGENDA

Central Office
1301 South Boulevard
Charlotte, NC 28203

August 19, 2008

Directly After CHA Board Meeting – Meeting Convenes:

Regular Meeting Agenda:

1. Additions to the Agenda
2. Consideration to Approve the Minutes for:
- *Meeting held on June 17, 2008*
3. **Business Agenda Item:**
 - A. Budget Amendment: Horizon Development Properties, Inc. **(p.1)**
 - B. Budget Amendment: Fairmarket Square Apartments **(p.3)**
 - C. Budget Adoption: Seneca Woods Apartments **(p.4)**

Business Agenda:

Business Agenda items for the August 19, 2008 Meeting of the Horizon Development Properties Board of Directors

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

Action: Approve the Amendment of the Horizon Development Properties, Inc. Budget for the Fiscal Year Ending March 31, 2009.

Staff Resource: Ralph Staley

Strategic Business: Finance Administration

Strategic Goal: Attain Long-Term Financial Viability

Explanation:

This budget amendment consists of three parts. First, the CHA has identified a need to consolidate its administrative and operational offices into a single new and more efficient facility and has chosen the CHA asset at Youngblood Street as the site for the new office building.

The CHA Board approved Resolution 1593 which authorized CHA to negotiate a contract for architectural services not to exceed \$300,000 (to include design of the shell and interior, landscape architecture, civil and mechanical engineers, LEED design and commissioning consultants, etc.). As a part of that resolution the CHA Board authorized staff to enter into an Architect agreement with FMK Architects for the design and corresponding supervision of the new office building.

After several conversations with FMK, staff is requesting a \$75,000 increase in the authorized funding to negotiate and execute the Architect Agreement and move forward with the design of the new office building. The \$75,000 increase is primarily due to the expenses associated with LEED certification. The CHA Board will be acting on this request at its August 19th Board meeting. The CHA Board is approving aspects related to the new office building; however Horizon Development Properties, Inc. is the developer on the project and will be doing the turnkey project for the CHA Central Office Cost Center. Funding for the project will come from the line of credit with 5th/3rd Bank and will be repaid with sales proceeds from excess Youngblood Street property and the 1301 South Blvd site.

Second, included in this budget amendment is budget authority for another previous month's Board action. Previously staff was given authorization through Horizon Development to do due diligence and purchase a 9.5 acre site located at the corner of Margaret Wallace Road and Krefeld Drive using the line of credit at

5th/3rd Bank to close the property. In this amendment, staff is presenting the budget for the purchase of the Krefeld property in the amount of \$1,000,000 as shown in Exhibit A.

Total funds needed for these two projects are \$1,375,000 which will be funded through the Horizon line of credit.

The affordable properties are in need of repair. Roofs are needed at Grove Place and Valley View and exterior painting is needed at Oak Valley. Staff is requesting to appropriate fund balance in the amount of \$236,615. Horizon has Turnkey III funds that are restricted for use for improvements at the affordable sites.

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

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

Committee Discussion:

The Finance & Audit Committee will discuss this amendment at its meeting on August 6, 2008

Funding:

Horizon line of credit and appropriated fund balance.

Attachment

Amended Horizon Budget

RECORDING OFFICER'S CERTIFICATION

I, Barbara Porter, the duly appointed Secretary of the Horizon Development Properties, Inc., do hereby certify that the above item was properly adopted at a regular meeting held August 19, 2008.

(SEAL)

BY: _____

Barbara Porter, Secretary

3. B Budget Amendment: Fairmarket Square Apartments

Action: Approve the Amendment of the Capital Project Budget for Fairmarket Square Apartments in Horizon Development.

Staff Resource: Ralph Staley

Strategic Business: Finance and Administration

Strategic Goal: Attain Long-Term Financial Viability

Explanation:

Staff is requesting to change the funding source for this project from land sale proceeds to Moving To Work funds. The \$750,000 listed in this project as land sale proceeds is now shown as a Transfer In - MTW.

Previously, staff adjusted the Fairmarket Square Apartments budget to reflect that funds expected from the City Housing Trust Fund would not be forth coming. The City of Charlotte has now indicated that the Housing Authority will receive the \$95,000 from the City Housing Trust Fund. Staff has adjusted funding to reduce land sale proceeds and increase the City Housing Trust Fund line item.

Exhibit A shows the reallocation of revenues from land sale proceeds to Transfer In – MTW and City Housing Trust Fund.

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

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

Committee Discussion:

The Finance & Audit Committee will discuss at its meeting on August 6, 2008.

Funding:

Moving To Work funding

Attachment

Amended Fairmarket Square Apartments Capital Project Budget

RECORDING OFFICER’S CERTIFICATION

I, Barbara Porter, the duly appointed Secretary of the Horizon Development Properties, Inc., do hereby certify that the above item was properly adopted at a regular meeting held August 19, 2008.

(SEAL)

BY: _____
Barbara Porter, Secretary

3. C Budget Adoption: Seneca Woods Apartments

Action: Approve the Adoption of the Capital Project Budget for Seneca Woods Apartments in Horizon Development Properties, Inc

Staff Resource: Ralph Staley

Strategic Business: Finance and Administration

Strategic Goal: Attain Long-Term Financial Viability

Explanation:

In 2001 the North Carolina State Legislature passed General Statute 159-42 entitled “Special regulations pertaining to public housing authorities”. The statute requires housing authorities to adopt a project ordinance as defined in General Statute 159-13.2. for those programs which span two or more fiscal years. In the past the authority has presented budgetary information on grant projects as a part of the grant process, but has not set out a separate resolution to adopt a grant project ordinance. In an effort to clearly show compliance with the State statute, the staff of the authority intends to prepare a grant project ordinance for each grant and have the Board adopt the project ordinance by resolution.

The Board authorized staff in Resolution 1539 to act as developer to rehabilitate and restructure Seneca Woods Apartments. The authorization approved sources and uses of funds in the amount of \$3,540,000. This amendment is being done to establish the budget for the Seneca Woods Apartments Capital project. The attached Exhibit A details the revenues and expense for this project.

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

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

Committee Discussion

The Finance & Audit Committee will discuss this amendment at its meeting on August 6, 2008

Funding:

Land Sale Proceeds
City of Charlotte Housing Authority
Housing Trust Funds
NCHFA
HOPE VI

Attachment

Seneca Woods Apartments Budget

RECORDING OFFICER'S CERTIFICATION

I, Barbara Porter, the duly appointed Secretary of the Horizon Development Properties, Inc., do hereby certify that the above item was properly adopted at a regular meeting held August 19, 2008.

(SEAL)

BY: _____
Barbara Porter, Secretary

**MINUTES OF HORIZON DEVELOPMENT PROPERTIES, INC. BOARD MEETING
HELD ON TUESDAY, JUNE 17, 2008**

Regular Meeting:

Additions to the Agenda:

None

Motion was made to approve the agenda as submitted:	Commissioner Page
Motion was seconded by:	Commissioner Everett
Outcome of the vote:	Passed unanimously

Consideration to approve minutes for:

- Meeting held on May 20, 2008

ACTION:

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

Business Agenda Items:

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

Approve the amendment of the Horizon Development Properties, Inc. budget for the Fiscal Year ended March 31, 2009.

ACTION:

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

3.B Fairmarket Square – Horizon Development Properties, Inc.

Approve authorization for staff to use the Horizon Acquisition Line of Credit to bridge finance the acquisition of Fairmarket Square and to assign other assets as collateral for such loan draw.

ACTION:

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

Horizon Development Properties, Inc.
June 17, 2008

3.C Budget Amendment: Fairmarket Square

Approve the amendment of the Capital Project Budget for Fairmarket Square Apartments in Horizon Development Properties, Inc.

ACTION:

Motion was made to approve:

Commissioner Miller

Motion was seconded by:

Commissioner Everett

Outcome of the vote:

Passed unanimously

Chairman Jones requested a motion for adjournment of the Horizon Development Properties, Inc. meeting.

ACTION:

Motion was made by:

Commissioner Moffat

Motion was seconded by:

Commissioner Moore

Outcome of the vote:

Passed unanimously