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Housing Authority of the City of East Point, Georgia

Regular Meeting

August 27, 2019

The Board of Commissioners (Board) of the Housing Authority of the City of East Point, GA (Authority) met on Tuesday, August 27, 2019 at 5:30 PM at 3056 Norman Berry Drive, East Point, GA, for its regular meeting. All Commissioners waived notice of the meeting.

Ms. Allen called the meeting to order at 5:34 PM.

Those answering the roll call were:

Ms. Allen, Mr. Newman, and Ms. Aziz. Dr. Lovett arrived at 5:34PM.

Others Present: Michael Spann, Executive Director, Garlan Furin, General Counsel, and Housing Authority employees: Tara Mobley, Luveell Porter, Ariana Wilkins, Rey Granger, Veloria Stewart, and Rejeana Prothro. Mr. Michael Zenon, CEO, and Mr. Marcus Guthrie, Associate, with/ZT Architecture & Land Development, and Mr. Shaun Belle, CEO, with/CMC Development NYC and Mr. Tyrone Haamid with/Edge Consulting & Development were also present.

Ms. Allen opened the meeting with a moment of silence.

Upon motion of Mr. Newman, seconded by Ms. Aziz, the Board voted unanimously to adopt the Agenda, with changes to reflect the date of August 27, 2019.

Mr. Spann introduced Ms. Nikia Firmin, who recently graduated from the Family Self Sufficiency Program. Mr. Granger presented her with her escrow check, and she thanked he and Ms. Wilkins for her successful graduation and discussed her plans to purchase a home.

Mr. Spann introduced Mr. Michael Zenon, CEO, and Mr. Michael Guthrie, Associate, with ZT Architecture and Land Development. They introduced Mr. Shaun Belle, CEO with CMC Development NYC and Mr. Tyrone Haamid with/Edge Consulting & Development. They made a short presentation regarding plans for the development of Norman Berry Village II (independent and assisted senior housing) and Norman Berry Village III (independent senior housing and multifamily housing), both located on the Norman Berry Drive corridor near the existing Norman Berry Village senior housing. The general design is a campus, connecting an internal driveway to the existing Norman Berry Village, with three story buildings and a park in a secure gated campus. They will be back in touch with the HACEPG and provide further details regarding their plans.

On motion of Mr. Newman, seconded by Dr. Lovett, the Board voted unanimously to approve the minutes of the regular meeting held June 25, 2019.

On motion of Ms. Aziz, seconded by Mr. Newman, the Board voted unanimously to approve the minutes of the public hearing held June 25, 2019 regarding the 2019 Annual and 5-Yr Agency Plan.

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Mr. Spann updated the Board on the Hillcrest property: He had a meeting and walked the site with Torian Priestly from The Benoit Group - the General Contractor continues to make rapid progress; they are 3 weeks ahead of schedule. He reminded the Board of the invite to visit the property. Lease up should begin in Spring 2020. He gave the Board the toll free number set up for prospective tenants to express interest, and will add it to the HACEPG website. Dr. Lovett asked if our seniors would get priority, and Mr. Spann and Ms. Prothro explained that only 20% of our households are seniors. Mr. Spann anticipates some tenants to move from Norman Berry Village to the new units at Hillcrest. Ms. Aziz asked Mr. Spann to contact Benoit because the url link on the fence banners is not active.

Mr. Spann updated the Board on the Nelms property: He previously forwarded a proposal from The Vecino Group regarding the changes in the tax credit program and the Qualified Census Tract, that could make redevelopment of Nelms feasible. Sharon Guest was involved with the current Hillcrest redevelopment at The Benoit Group, and saw the redevelopment potential at that site. The number of redeveloped units would be slightly reduced to increase their size, but redevelopment would still increase the number of affordable units, which is part of the HACEPG Strategic Plan. Mr. Spann recommended issuing an RFQ for Development Partners for the Nelms property, discussed the past RFQ, and Ms. Furin clarified that issuing an RFQ would not tie the Board to the redevelopment path. The Board had a general discussion regarding fair market rents. On motion of Dr. Lovett, seconded by Mr. Newman, the Board voted unanimously to issue an RFQ for Development Partners for the Nelms property.

Mr. Spann updated the Board on the Martel property: The revised CHAP application is ready to submit. The Board could consider issuing an RFQ for Development Partners for all of the HACEPG properties, including Martel. Ms. Allen discussed that each property may have a different highest and best use. The Board generally discussed increasing the density at Martel in the future, with mixed income housing. Ms. Aziz clarified that "affordable" includes different levels of income. Mr. Spann discussed possibly doubling the number of units at Martel and including market rate units also.

Mr. Spann discussed the EPCEDC (East Point Community and Economic Development Corporation): Ms. Wilkins discussed the status of the current contract to purchase 2886 Semmes Street, and the offer she made on a Connally Drive property. She is looking for additional residential and commercial properties to purchase in the South Metro area. She will look into demolition costs on some properties. Mr. Spann discussed that the EPCEDC Board met via telephone on August 7, 2019, and also discussed partners/donations, and Board membership. He mentioned that they had contacted one potential new Board member who was too busy. Ms. Allen and Ms. Aziz discussed adding Ms. Aziz to the Board, as previously discussed. Ms. Furin clarified that the EPCEDC Bylaws state that the minimum number of Directors is 3, and the Board needs to address at their next meeting.

Mr. Spann discussed the Fairburn Housing Authority: The FHA Board voted to convert their units to the Rental Assistance Demonstration (RAD) program, and are interested in partnering with the City of Fairburn to grow the affordable housing stock. The Mayor signed off on their Annual plan.

Mr. Spann discussed the Rental Assistance Demonstration (RAD) program: The revised CHAP application for Martel and Hurd Homes properties is ready to submit, and the Board will eventually have to consider how to pay for the modernizations.

Public Comment: There was no public comment.

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The Monthly Agency Reports were previously distributed to the Board via the documents on the website/email. Mr. Spann discussed the merger of the two Family Self Sufficiency (FSS) accounts, so that both earn interest. He discussed the PWEF (RAD nonprofit entity) bank account, and previous reimbursements for expenses back to HACEPG. He showed photos of the Hillcrest redevelopment project, and thanked everyone who attended the August 10th Community Event. 350 bookbags were distributed to children in the community, and the extra bookbags were redistributed through neighborhood churches and charities. Ms. Aziz thanked the politicians who attended for their active roles. Mr. Spann mentioned that the HACEPG rental rates are increasing because tenants/participants are employed, which allows them to fully participate in the FSS program, and also decreases the utility reimbursement checks from the HACEPG. Ms. Wilkins mentioned that the 2017 OIG audit was finally completed with no findings.

Mr. Spann stated that since the RAD conversion is delayed, the Board could consider investing more of the unrestricted funds in higher interest rate vehicles. He thanked Dr. Lovett for moving the last investment idea forward, and mentioned the interest earned to date. The amount shown on the financial summary will decrease by the amount the Board decided to transfer to EPCEDC, as soon as that bank account is established.

Mr. Spann mentioned that the HACEPG annual audit also had no findings, and complimented the employees on the file organization and preparedness for the audit. Mr. Spann also mentioned the Martel property income/expense report, stating that maintenance costs have increased, but he still expects the year end overall budget actual expenses to come in below the budgeted expenses.

Mr. Spann explained Resolution 19-08-01 needed to approve writing off uncollectible tenant debt in the amount of \$38,544.07, and the Board generally discussed the causes of the debt, the consequences to the tenants, and the methods of collection. The debt will affect the PHSA score unless it is written off, and it is assigned to a third-party collection firm, which most of the GAHRA Housing Authorities use, and of which we have received no tenant complaints. On motion of Dr. Lovett, seconded by Mr. Newman, the Board voted unanimously to approve Resolution 19-08-01, to approve and allow Mr. Spann to write off the debt.

On motion of Dr. Lovett, seconded by Mr. Newman, the Board voted unanimously to issue an RFQ for Development Partners for the Nelms property, RAD conversion, and remaining properties in the HACEPG portfolio, as well as possible future development acquisitions.

On motion of Dr. Lovett, seconded by Ms. Aziz, the Board voted unanimously to adjourn the regularly scheduled meeting at 7:31PM.