



Agenda, Minutes, Reports, and Resolutions

Board of Commissioners Regular Meeting

Monday, February 26, 2024, at 6:00 p.m.

Hope White, Chairwoman

Marcus D. Goodson, Interim Chief Executive Officer



Sanford Housing Authority (SHA)  
Board of Commissioners Regular Meeting  
AGENDA

Date: February 26, 2024

Time: 6:00 p.m.

Place: 317 Chatham St. Sanford NC 27330

Please silence all cell phones and refrain from cell phone use during the meeting

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Board of Commissioners Meeting Thursday, January 25, 2024

## BOARD MINUTES

A meeting of the Board of Commissioners for Sanford Housing Authority was held on Thursday, January 25, 2024, at 1:55 p.m. at the Dennis A. Wicker Convention Center, Room #103, 1801 Nash St. Sanford NC 27330. Notice of this meeting was duly posted.

### 1. Roll Call:

#### ATTENDANCE:

Commissioner Hope White, Chairperson (Left at the beginning of the meeting)

Commissioner William Newby, Vice Chairperson

Commissioner Karen Wicker

Commissioner Holly Aeschliman

Commissioner Erin Britton

Commissioner Carolyn Gilchrist

#### ABSENT:

### 2. APPROVAL OF MINUTES:

Ms. White explained that because some people just got their board packet today, we make a motion to approve the minutes but note that if we have to go back and make changes we would. Ms. White asked someone to make a motion to approve the board minutes from the November 27, 2023, Regular board meeting. Mr. Newby made a motion to approve the board minutes from the November 27, 2023, Regular board meeting. Ms. Britton seconded the motion; all were in favor. The motion passed unanimously. All were in favor; none were opposed.

## Financial Report

### Darrell Rainey from BDO Reported:

#### Public Housing

Public Housing, which is seen on page two, has a net cash flow YTD of \$96,000, which is \$76,000 higher than the budgeted YTD. The variance is due to an increase in rental income, operating subsidies, and savings in utilities. The savings in utilities are a timing thing because we have not yet processed the annual garbage invoices, which plays a huge part in the \$35,000 variance. However, between the garbage invoices that should be processed soon and the increase in operating revenue, this is how we are at the \$76,000 that we are currently over budget. Ms. White asked about the garbage invoices. Darrell explained that the properties no longer pay real estate taxes, but they do have to pay an annual garbage fee through the city. Mr. Goodson said that they do not bill us monthly anymore, but annually, and that we just received the invoices via email. Darrell said that we just received it. Ms. White said that she thought that trash was included with water and sewer. Darrell said that it is not, it is a separate fee, and the invoice. Ms. White asked if we had spoken with Hal about this. Darrell said



that this is a separate agreement so that the public housing properties do not pay real estate taxes so it would be different from residential water and sewer.

### **COCC**

As of right now, there is a positive net cash flow of \$68,000 which is \$130,000 higher than budget. Darrell stated that the increase is due partially to the land sale that took place earlier in the year for \$100,000 and savings in the administrative staff positions because of the vacant CFO position. Ms. White asked Darrell if he knew anybody who would come to Sanford for the CFO position, and if he did, to please send the resume to Mr. Goodson.

### **HCV**

Is trending close to budget. Operating revenue is down \$15,000 but he thinks it is a timing thing. HCV is running smoothly. He asked if there were any questions; there were no questions.

### **Balance Sheet**

Currently, unrestricted cash is at \$211,000. Most of this is in Public Housing. There is a negative cash balance for COCC because Public Housing is covering some expenses for COCC but you also have this \$211,000 from the developer fees received the other month. Darrell said that he would advise that we take a good look at our cash because that will determine our ability to pay bills. Mr. Newby asked where the \$211,000 came from and Mr. Goodson said on page 1 on the balance sheet. He said that this is cash that you can spend immediately and is unrestricted. Darrell concluded by saying that he thinks that things are flowing in the right direction even though it is early in the year.

Ms. White told the board that she asked Mr. Goodson for an updated list of outstanding balances since we do have some unrestricted cash. Mr. Goodson said that he would have it for the February board meeting.

## **Department Head Reports**

### **Public Housing Report**

Sherri reported that Public Housing ended the month of December with an eighty-two percent occupancy rate. However, we are having to do some transfers because there are some units that we have discovered that people should not be living in, so we are going to be transferring them out. We have twelve new move-ins planned for next week and the second week of February. Sherri also stated that we will also be in court with a lot of evictions soon, but Public Housing is doing very well.

Ms. White asked if we are fully staffed in maintenance and Sherri said we have one vacancy. She said that there is an increase in the number of work orders, which is different from when she first started here. There is a lot more done for each property. She started with LUF and 226 Linden; for Utley, we issued twelve but had twenty-six because some rolled over from the last month and now the reports are more accurate than before. Sherri said that she must get staff to work on charging tenants for repairs beyond normal wear and tear and the new software will help better track and bill the tenants.

### MGG

There are ten vacancies and Sherri spoke to the Property Manager and the Assistant Property Manager yesterday and she stressed that the units must get leased up. She said that their waitlist is open and has been open, so the manager and assistant manager are working hard to get people in the units. She said that they have run into some problems where tenants do not show up on move-in day. Ms. White said that she has seen drug busts in the paper and asked when there is a drug bust, can we just put tenants out and not have to go to court? Sherri said that we cannot take away their due diligence and they have a right to court; they will be in court on February 1<sup>st</sup> at 9:00 am. Ms. White asked, though the Property Managers do not live in Sanford if the Property Managers can prevent some of the stuff that is going on in the communities by visiting the properties more often. Sherri said that we are working on getting them out of their chairs and out on the properties. Sherri said that they do have office hours though to work on the vast paperwork that HUD requires them to complete. Sherri said that we account for them having time to do their administrative duties without tenants being able to assess them, but she is finding that our Property Managers are not out in the communities enough and this is an area where she is receiving pushback from them. Ms Britton asked if the offices were on the property, and Sherri said yes. Sherri said that Property Managers should be in their communities at least 30 minutes daily canvassing their properties. She said that MGG ended the month with a 95% occupancy rate, with ten vacancies in total.

There were twenty work orders issued between the two properties, but tenants were not charged. Ms. Britton asked if we track the tenant's fault versus normal wear and tear and Sherri said no. She said the maintenance staff will determine if it is a tenant charge and it should be noted on the form for discussion with the Property Manager. She also said that the Property Manager should be asking questions once a work order is issued because they are responsible for opening and closing the work orders and ensuring that things are charged properly. Sherri said that the new software will help track the most used items, inventory, etc.

We will have to inventory everything, and we are currently not doing it. She said that she has made a preventative maintenance schedule to determine its condition. The preventative maintenance plan allows us to be in the units to inspect appliances and equipment monthly. She said that Danielle understands that when her units sit vacant, we will never recoup the money, it is gone. Ms. Britton asked how we determine if we charge tenants. Sherry gave some examples of when a tenant is charged and said that normal wear and tear is not charged to the tenant. Ms. Gilchrist asked how we determine when blinds need to be replaced. Sherri said that if the Property Managers are checking on the properties, they should be responsible for ordering new blinds and if they need to be charged, charged.

### HCV

Sherri reported that the regular vouchers are the vouchers that Section 8 is responsible for, and we are 71% leased up. She said that our Section 8 department does not have control over VASH, nor the Harnett Training School and we are not graded on their occupancy rate. We are graded on MGG, which is part of the PBV program, and their vouchers are taken out of her balance. We are at 101% YTD use of the money that HUD allocates to be used for Section 8, but we would rather be over by a little than under. During December, we were at 95% utilization, so if we were to get graded today, we would get all our points which are averaged over 12 months, so HCV is doing good.



Sherri said that we are meeting with and helping the Property Management staff understand the consequences of not receiving collectibles. She said that she ran a Tenants Account Receivables report, and the managers are now responsible for running them each week and she will run once a month. She gave the example: On December 31, 2023, at Linden Heights, we had \$9134.00 of uncollected monies from our tenants and as of yesterday, the balance is now \$3181.00 so we collected \$5053.00 just from one property. She said that she has told them that this is one of the top three responsibilities of a Property Manager and if they cannot do that, we must make sure that we have the right people in place.

At Utley Plaza, we had \$7,780.00 outstanding debt and now we have \$6000.00 outstanding; so, we collected \$1700.00. Foushee was not as good, we have \$7023.00, and we are up to \$7283.00. Finally, Harris Court had \$2027 outstanding and is now down to \$799.00. She said that we cannot look at 0-30 days late because people need time to pay, but any accounts that are 31-plus days are not acceptable. For example, Linden had \$5135.00 which was 90 days plus and as of yesterday, it is down to \$75.00. Sheri said that MGG has a court date of February 1, 2024, to evict twenty-nine tenants and LUF has twelve.

Mr. Goodson said that the goal is to get the money, not to evict, but now people know that we are not playing. He said that they now see that there are repercussions for not paying their rent. Sherri said that she tells the Managers to take them to court. When we went to court today, all three people came to court and paid; the judge granted the eviction, pending they did not pay as soon as they walked out of court. Garden-Gilmore had \$186,766 due from current tenants and \$82,000 was collected in a month. Sherri said that if we do not send our HUD notices on the 6<sup>th</sup> of the month, the tenants do not think that we are serious. She said that the staff was trained yesterday on the new system to know what tenants owe. Ms. White asked if someone would be there to assist them with the new system and if the training was effective; Sherri said we would not know the effectiveness of the training until we work with the software, but we do have people who can assist staff. MGG still has \$100,627 owed from people who live there now. Ms. White asked if this was verified that the money owed was accurate; Sherri said yes, she had gone ledger by ledger, case by case to confirm.

### **Resident Services**

Shkera stated that we have a partner who will be offering tax services. She asked if there were any questions. Ms. White asked about upcoming events. Shkera said that there is a tax event coming up next Wednesday, February 1<sup>st</sup>.

### **New Business**

A. Sherri explained that the equipment that is old and needs to be disposed of for each property is listed in the disposition report in the packet. She said that we must dispose of old refrigerators, stoves, furniture, and other items in an organized manner that coincides with HUD's guidelines. Mr. Goodson said that we have cleaned up the maintenance department and we are trying to add some organization because some things got neglected. Sherri said there is a man who wants to get some of this property to scrap for cash, but we cannot do it like that. Mr. Newby asked for someone to make a motion. Ms. Britton motioned to approve the disposition of equipment. All were in favor; the motion passed unanimously.

B. Collection Loss Write-Off Report for Public Housing. Sherri explained that this report shows uncollected money from tenants who no longer live in one of our properties. She said that the amount is



extremely high, over \$76,000, but it is because this report has not been developed in two years to her understanding.

Ms. Britton motioned to approve the write-off of uncollected money for \$76,399.52 for the 2022 year through quarter 1 of 2024. The motion was passed unanimously.

C. Paid Time Off. Ms. Britton motioned to approve the new PTO policy. All were in favor; the motion passed unanimously.

Mr. Goodson asked the board's permission to speak with Bishop Mellette regarding negotiations for the property on Garden Street that the church would like to purchase to relieve them of the restrictive covenants. Mr. Goodson said that he would report back to the board the negotiated price. Mr. Newby reiterated that Mr. Goodson is seeking permission from the board to speak with Bishop Mellette on the use of the property clause and to bring back a negotiated price for the property in the February board meeting. Mr. Goodson explained that the information for this item is in the first part of the board retreat packet and that we spoke about it earlier during the board retreat; permission was granted to Mr. Goodson.

D. Mr. Goodson spoke about the next item which was auditor selection. He said that he recommends Barton & Gonzalez because of the price and because they are doing a good job working with us. He said that he would stick with them but after these three years, we should switch because we would have had them for 10 years.

Ms. Britton moved to approve the proposal for auditing services for the years ending 2024, 2025, & 2026. All were in favor; the motion passed unanimously.

Mr. Goodson said that we would bring tenant utilities back up next month with more information about what we are proposing and why; therefore, no action is needed right now. We will have the amount of savings for the agency at February's board meeting.

Mr. Goodson said that he spoke with Jeff Lyons, and they cannot defer the fees because the business model does not allow for that, but he would work with us aggressively to secure pre-development funding so that we can pay for soft costs leading up to the development. Ms. White had to leave and stated that Mr. Newby would take over the meeting. She asked that if the board voted to go with TAG, we put restrictions on billable hours for them because their fee is \$250 per hour. She said that having a CFO would help with this, but we do not have one. Mr. Goodson said that his experience with TAG has been that they do bill accordingly. He recommended that we use TAG for the Stewart Manor project and that he knows that there may be some apprehension because of the hourly rate; however, Jeff would work with us to get pre-development fees. He said that their business model is not set up to be flexible with the fees because, if they work on the project for two years but never get to closing, then their company never gets paid; developers get paid a lot of money at closing. Developers will take the risk, but TAG is not set up like that to take that risk. Mr. Goodson said that we can get pre-development funds from the city and county because everyone has a personal stake in the redevelopment of Stewart Manor. He said that if he thought that we should not do this and could not do this, this project would not be an agenda item.

Mr. Newby reminded the board that Ms. White asked that we limit the number of hours that TAG works monthly. Mr. Goodson said that he was fine with this. Mr. Britton said that she does not want things to fall through the cracks because we are limiting them, and she also does not want a principal to work on a project that a research associate could work on to make more money. Mr. Goodson said that this would not happen and that we would be working with Jane Dixon, who is a Senior Associate. If we bring on TAG, we will be bringing on the top financial consultants in this business. He said that he has already told Jeff that we do not have a ton of money and we can suggest in the motion that we cap the number of billable hours to 15 hours per month, and if we get pre-development fees, then adjust the hours. Ms. Aeschliman asked if the 15 hours were arbitrary, and Mr. Goodson said, no, this was the number that the chairperson mentioned and he wants her to be comfortable also if any other board member has any apprehensions, he would like to address those as well.

Mr. Goodson said that we are here to do development. Mr. Newby said that we brought Mr. Goodson here to do deals like this but if the board does not like this idea, we must give him a better idea because we cannot continue to let Stewart Manor sit there. Mr. Newby said, in all fairness, he needs to be able to do what he was brought here to do through development so that we can get more money from these properties. Mr. Newby said that if Mr. Goodson leaves, we would then lose a COO and we already do not have a CFO. Mr. Goodson said that he is not threatening the board to leave but if the board does not want to do the deals, they can get someone else in the position for a whole lot cheaper than him. He said that this is his community, and he wants to do the deals. Ms. Britton said that she does not want to limit them hour-wise. Ms. Aeschliman said that the authority has been done wrong in the past but because of Mr. Goodson's relationship with TAG, she does not see that happening. Mr. Goodson said that he would assure the board that he would monitor the hours himself so that the hours would not get away from us. He said that he thinks that Jeff will help us with 1000 Carthage St as well.

Ms. Gilchrist said that she must take risks in her business, and they must price themselves higher because you cannot start too low. It makes people question your work. Mr. Goodson said that with proper documentation, some of the pre-development income can be used to reimburse the agency. He said that if we do not get predevelopment income, we will get money back at closing. He said that he is sure that he qualifies to get developer fees in North Carolina, so we will not have to use Charlotte because they are expensive. He said that he qualifies to get the fees with Florida's Housing finance agencies because of his experience. Mr. Goodson said that he would rather do the 15 hours versus \$2500 cap. Ms. Britton made the motion to utilize TAG & Associates as the financial advisor for the Stewart Manor development project and other projects with a 15-hour-per-month cap and renegotiate if pre-development funds are received. All were in favor; the motion passed unanimously.

#### **Commissioners' Comments**

No additional comments

#### **Public Comments**

There were no public comments.

#### **Closed Session**

No Closed Session



### **Adjournment**

Ms. Aeschliman moved to adjourn the regular board meeting for January 25, 2024. Ms. Gilchrist seconded the motion. All were in favor; the motion to adjourn the meeting was unanimous.

The board meeting adjourned at 4:15 pm.

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Marcus D. Goodson, Secretary

Date

#### 4. Public Housing Vacancy & Maintenance Report

##### A. Vacancy Report Maintenance Report

VACANCY REPORT AS OF January 2024									
PROPERTY	TOTAL UNITS	Office Space NON DWELLING UNITS	Offline HUD Approved	Vacant Units in Maintenance	Vacant Units Ready to Rent	Month Turnaround Days	YTD Turnaround Days	Current Occupancy Rate	YTD Occupancy Rate
Linden Heights	47	1	4	1	1	31	426.83	97%	90.00%
Utley Plaza	55	1	1	1	1	31	256	98%	96.00%
Foushee Heights	40	0	0	6	1	31	259	83%	83.00%
HARRIS	26	0	1	0	1	31	588	96	94.00%
226 Linden Avenue	5	0	0	0	0	0	0	100%	100.00%
Total	102	2	6	8	4	24.8	280	95%	93.00%



## B. Maintenance Report

### January 2024 MONTH END REPORT

WORK ORDERS	Linden Ave.	Utey Plaza	Foushee Heights	Harris Court	226	YTD Linden	YTD Utey	YTD Foushee	YTD Harris	YTD 226
TOTAL WORK ORDERS ISSUED	21	15	4	11	0	182	171	91	53	4
TOTAL WORK ORDERS COMPLETED	22	12	5	11	0	196	148	79	50	4
OUTSTANDING WORK ORDERS	5	38	15	12	0	8	35	17	14	0
AVERAGE COMPLETION DAYS	14	17	13	6	0	35	21	15	62	3
EMERGENCY WORK ORDERS ISSUED	11	6	3	3	0	30	28	14	13	0
EMERGENCY WORK ORDERS COMPLETED With In 24 HOURS	11	6	3	3	0	30	28	14	13	0
OUTSTANDING EMERGENCY WORK ORDERS	0	0	0	0	0	0	0	0	0	0
% OF EMERGENCY WOs COMPLETED With In 24 HOURS	100%	100%	100%	100%	0%	100%	100%	100%	100	0
Amount Charged to Tenants	\$135.65	\$0.00	\$0.00	\$0.00	\$0.00	135.65	0	0	0	0

## 5. MGG Vacancy & Maintenance Report

### A. Vacancy Report

VACANCY REPORT AS OF JANUARY 2024									
PROPERTY	TOTAL UNITS	Office Space NON DWELLING UNITS	Offline HUD Approved	Vacant Units in Maintenanc e	Vacant Units Ready to Rent	Month Turnaround Days	YTD Turnaroun d Days	Current Occupancy Rate	YTD Occupancy Rate
Matthews Court	50	1	0	0	1	30	61	100%	100.00%
Garden Street	56	1	0	5	4	31	541	92%	92.00%
Gilmore Terrace	70	2	0	4	3	31	1041	94%	94.00%
Total	176	4	0	9	8	92	1643	96%	96.00%



**B. Maintenance Report**

<b>SANFORD HOUSING AUTHORITY MAINTENANCE DEPARTMENT REPORT</b>		
<b>JANUARY 2024 MONTH END REPORT</b>		
	<b>Matthews Ct.</b>	<b>Garden-Gillmore</b>
<b>TOTAL WORK ORDERS ISSUED</b>	10	29
<b>TOTAL WORK ORDERS COMPLETED</b>	10	28
<b>OUTSTANDING WORK ORDERS</b>	0	1
<b>AVERAGE COMPLETION DAYS</b>	1	1
<b>EMERGENCY WORK ORDERS ISSUED</b>	1	2
<b>EMERGENCY WOs COMPLETED WITHIN 24 HRS</b>	1	2
<b>OUTSTANDING EMERGENCY WORK ORDERS</b>	0	0
<b>% OF EMERGENCY COMPLETED WITHIN 24 HRS</b>	100%	100%
<b>Amount Charged to Tenants</b>	0	0

**6. Housing Choice Voucher Program  
Occupancy/Intake Status Report  
1/31/2024**

This summary reflects the actual number of Units Leased and Paid at the end of the month

<b>January 2024</b>	<b>Allocation</b>	<b>Actual Housed Units Leased</b>	<b>Lease Up Rate %</b>
HCV (Regular Vouchers)	708	509	72%
VASH	15	13	87%
Harnett Training School (PBV)	37	33	89%
226 Linden Apartments (PBV)	5	5	100%
Matthews Court (RAD)	50	49	98%
Garden Street / Gilmore Terrace (RAD)	126	113	90%
<b>Total HCV      *At least 95%</b>	<b>941</b>	<b>722</b>	<b>76%</b>

<b>January 2024</b>	<b>Funds Authorized</b>	<b>Funds Received</b>	<b>Funds Utilized</b>	<b>Utilization Rate  *At least 95%</b>
<b>Total HCV</b>	<b>\$389,674.00</b>	<b>\$374,032.00</b>	<b>\$397,526.00</b>	<b>101% TYT as of 12/31</b>

New Vouchers Issued: 6  
Total Vouchers Searching: 117  
New Admissions: 13  
End of Participation: 4

**SEMAP Indicators as of January 31, 2024**

<b>SEMAP Indicator</b>	<b>Current</b>	<b>HUD FYE Requirement</b>
MTCS Reporting Rate	100%	95% or more
Indicator 5 HQS Quality Control	5%	5% or more
Indicator 9 Timely Reexaminations	100%	96% or more
Indicator 10 Correct Rent Calculations	100%	98% or more
Indicator 11 Pre-Contract HQS Inspections	100%	98% or more
Indicator 12 Annual HQS Inspections	100%	96% or more
Indicator 14 Family Self Sufficiency		
FSS Enrollment      45 (4 Mandatory)	1125%	80% or more
FSS Escrow Account    27	60%	30% or more



### HCV Department YTD Rates

FY 2023	Allocation	HCV	VASH	HTS	226	MC	GG	Total	Lease Up Rate	Funds Utilization Rate
2/01/2023	941	470	10	36	5	48	75	644	68%	94%
3/01/2023	941	473	11	36	5	49	84	658	70%	92%
4/01/2023	941	487	11	36	5	49	94	682	72%	94%
5/01/2023	941	492	12	36	5	48	99	692	74%	94%
6/01/2023	941	497	14	34	5	48	105	703	75%	95%
7/01/2023	941	492	14	32	5	48	107	698	74%	97%
8/01/2023	941	497	12	33	5	48	111	706	75%	98%
9/01/2023	941	495	14	33	5	48	111	706	75%	99%
10/01/2023	941	502	13	33	5	49	112	714	76%	100%
11/01/2023	941	500	13	33	5	49	113	713	76%	100%
12/1/2023	941	501	13	33	5	48	113	713	76%	100%
1/1/2024	941	509	13	33	5	49	113	722	77%	100%

7. FSS Program Case Management Report			
2024-January			
	Projection	This Month	YTD
<b>Service Coordination</b>			
Total Families Enrolled		107	
Families completing pre-enrollment form		0	0
New Families Enrolled	10	0	0
Families Continuing to receive service coordination	20	107	107
HOH receiving interim disbursement from escrow account		0	0
FSS participant placed on probation		0	0
FSS participants granted contract extension		0	5
FSS participant terminated (balance of escrow forfeited)		0	0
Families Graduated (received balance of escrow)	5	0	0
Families served (unduplicated count)	20	0	107
<b>Child Care</b>			
Families linked to child care services	10	3	3
Families linked to youth programs		2	2
<b>Education</b>			
Participation in Adult Basic Education	5	0	0
Completed Adult Basic Education	4	0	0
Participation in ESL classes	3	0	0
Completed ESL classes	1	0	0
Participation in HS/GED program	5	0	0
Completed GED/HS diploma	3	0	0
Participation in Post secondary classes	8	2	2
Associates degree obtained	3	0	0
Certificate from technical school	2	0	0
Bachelors degree obtained	2	0	0
<b>Employment</b>			
Job retention activities	10	2	2
Employment obtained	8	0	0
Employment increased from PT to FT 32+hrs.	3	2	2
Promotion/new job resulting in increased hourly wage	5	0	0
Maintain employment greater than one year	5	0	0
Percent Caseload Employed	50%		33%
Employer-provided health benefits obtained	5	1	1
<b>Financial Literacy</b>			
Escrow accounts established	10	0	0
Tax preparation assistance provided	10	6	6
Individualized counseling	5	3	3
Classroom setting financial education	10	2	2
<b>Health Services</b>			
Referral for healthcare (physical/dental)	10	0	0
Referral for mental health services	3	0	0
Referral for substance abuse services	2	0	0



Referral for fitness programs		0	0
Referral for nutrition programs		0	0
<b>Housing</b>			
Homeownership counseling	5	0	0
Increased income results in no longer needing rental assistance	3	0	0
Purchased home with HCV homeownership assistance	1	0	0
<b>Training</b>			
Job preparation/counseling (soft skills) referred		3	3
Job preparation/counseling (soft skills) enrolled	8	0	0
Job preparation/counseling (soft skills) completed	4	0	0
Job training (for specific type of job) referred		2	2
Job training (for specific type of job) enrolled	6	0	0
Job training (for specific type of job) completed	3	0	0
Parenting/household skills, life skills referred		0	0
Parenting/household skills, life skills enrolled	8	0	0
Parenting/household skills, life skills completed	4	0	0
<b>Transportation</b>			
Transportation services to enable service provision/employment	5	1	1
<b>Contacts</b>			
Home visits completed		4	4
Home visits attempted		8	8
Phone contacts attempted		20	20
Phone contacts completed		7	7
Office visits scheduled		6	6
Office visits completed		4	4
Correspondence mailed		55	55
Flyers distributed		120	120
Walk-ins		7	7
<b>FSS Coordinator total contacts</b>		0	0

**8. Development Report (See New Business Below)**

**9. New Business**

- A. Selection of Co-Developer Partner
- B. Garden Street Land Disposition

**10. Commissioners' Comments**

**11. Public Comments**

**12. Closes Session (If needed)**

**13. Adjournment**

## MEMORANDUM

To: Board of Commissioners  
From: Marcus D. Goodson, Interim CEO *MDG*  
Date: February 20, 2024  
Subject: Selection of Co-Developer Partner

We issued a Request for Qualifications (RFQ) for qualified developers to participate in the rehabilitation of Stewart Manor, our elderly mid-rise public housing development. We received three proposals from very qualified affordable housing developers to consider. The three respondents were as follows: Smith & Henzy Affordable Group, Bakertilly, and Galvan Development Consultants - Good Housing Partnership. Along with our financial consultant TAG, we conducted Zoom interviews of each firm and although we believe any of the three would serve as a good co-developer partner, TAG and I believe Galvan Development Consultants (GDC) is better suited for this project.

Given their vast affordable housing projects completed, and the capacity of their leadership team we are comfortable recommending GDC to you as our top choice to enter into negotiations of a Master Development Agreement (MDA), which defines the terms of our partnership. The final ranking is below for your review.

1. Galvan Development Consultants – Good Housing Partnership
2. Smith & Henzy Affordable Group
3. Bakertilly



## MEMORANDUM

To: Board of Commissioners  
From: Marcus D. Goodson, Interim CEO  
Date: February 21, 2024  
Subject: Former Housing Authority Property

During my first tenure as executive director of the Sanford Housing Authority the board of commissioners entered into a purchase agreement with Christian Provision Ministries, Inc., (CPM) to acquire land owned by the housing authority. The 2.83-acre parcel was part of Garden Street Apartments and included three buildings with five (5) apartment units. At the time of the sale, the units were in a dilapidated condition and in need of major renovation work. As found in the attached Declaration of Restrictive Covenants for the property, under Section 1. Use of Properties: there are limitations to what the property can be used for. These restrictions remain in force and effect until November 1, 2029.

I was recently contacted by a representative of the property owner who is interested in discussing options to remove the limitations of use of the property prior to November 1, 2029. I spoke with Attorney Catherine Liu, The Banks Law Firm who has prepared a summary of options (attached to this memorandum) for us to consider with regards to the Declaration of Restrictive Covenants.

Since our initial conversations during the Board Retreat, I met with Bishop Charles Mellette of CPM, the current owner of this property to discuss their request to be released from the Restrictive Covenants regarding this property. For consideration of the Sanford Housing Authority (SHA) releasing them from the Restrictive Covenants, CPM will compensate the SHA \$82,000. As discussed during the retreat and in subsequent calls with Attorney Liu we reached out to the Department of Housing and Urban Development (HUD) to inform them of this request from CPM and to see if they retain any legal interest in this property. The only communication from HUD regarding our inquiry is that they are still waiting to hear from their supervisors. I will reach out to HUD again before the board meeting on Monday to see if we can get confirmation that they do, or no longer retain legal interest in this property, clearing the way for us to move forward with this request, which is my recommendation.

## Marcus Goodson

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**From:** Catherine Liu <cliu@bankslawfirm.com>  
**Sent:** Tuesday, January 23, 2024 9:04 AM  
**To:** Marcus Goodson  
**Subject:** Christian Provision Ministries Deed and Restrictive Covenants  
**Attachments:** Deed from SHA to Christian Provision Ministries, Inc..pdf; Declaration of Restrictive Covenants.pdf; Tax Information for Property to CPM.pdf

Marcus,

Per your request, below is my analysis of some of the key provisions in the deed and restrictive covenants for the 2.83 acres of land conveyed by SHA to Christian Provision Ministries, Inc. ("CPM").

On December 10, 1999, SHA conveyed 2.83 acres of land (the "Property") that was previously part of the Garden Street public housing project to CPM (see attached deed from SHA to CPM). Along with the conveyance, a declaration of restrictive covenants (the "Declaration") was recorded against the Property (see attached Declaration). Among other things, the Declaration provides the following:

1. The property must be used for "male and female substance abuse rehabilitation, after school tutorials, senior citizen's center, and emergency housing" or "similar programs for the public benefit."
2. If CPM sells the Property, then any net profits above the \$85,000 purchase price paid by CPM to SHA must be paid to SHA, and SHA may use any funds received to pay any debt on the Property owed by SHA.
3. The restrictions described in #1 and #2 above expires on November 1, 2029.

If SHA wishes to terminate the restrictions in the Declaration so that CPM does not need to wait until November 1, 2029 to use the Property for some other purposes than those under #1, or sell the Property under #2 without providing the net sale proceeds to SHA, SHA may record a release of the Declaration against the Property. However, since it appears that the Property was part of a public housing project, HUD may have placed some restrictions on SHA's ability to release the restrictions prior to November 1, 2029 in HUD's approval of the disposition of the Property. SHA may want to search its records for the disposition application and corresponding HUD approval, or check with HUD prior to agreeing to providing the release to CPM.

The value of property is currently appraised in the amount of \$359,000 by the Lee County tax office (see attached).

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**Catherine Liu**  
Principal



Winchester Place, Suite 110 | 4309 Emperor Boulevard | Durham, North Carolina 27703  
Mailing Address: P.O. Box 14350 | Research Triangle Park, North Carolina 27709  
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Prepared by and sent to: William T. Wilson, Jr.

Attorney at Law  
P. O. Box 1653  
Sanford, NC 27331-1653

FILED  
BOOK PAGE  
MAY DEC 10 P 2:45  
LEE COUNTY, N.C.  
NELLY W. THOMAS  
CLERK OF SUPERIOR COURT

NORTH CAROLINA

LEE COUNTY

This Declaration of Restrictive Covenants executed by the Sanford Housing

Authority, a public body corporate and politic duly created and organized pursuant to and in

accordance with the provisions of the laws of the State of North Carolina, and the United States of

America pursuant to the United States Housing Act of 1937, as amended (42 U.S.C. 1401, et seq.)

and the Department of Housing and Urban Development Act (5 U.S.C. 624, et seq.) having and

exercising the rights, powers and authority conferred upon thereby,

WITNESSETH:

WHEREAS, the Sanford Housing Authority is the owner of that certain tract of land

containing 2.83 acres, more or less, as shown on survey for Charles Mellette dated 2-2-99 by

Bracken & Associates and recorded in Plat Cabinet 9, Slide 30-1, Lee County Registry; and

WHEREAS, the Sanford Housing Authority proposes and intends by this instrument to

create certain restrictive covenants upon the above referenced property and hereby declares that

all of the properties described above shall be held, sold and conveyed subject to the following

assessments, restrictions, covenants and conditions, which are for the purpose of protecting the

value and desirability of, and which shall run with the real property and be binding on all parties

having any right, title or interest in the described properties or any part thereof, their heirs,

successors and assigns, and shall inure to the benefit of each owner thereof.

Section 1. Use of Properties. The properties herein shall be used to develop Christian

Provision Ministries Hope Center. The properties shall be used for male and female substance

abuse rehabilitation, after school tutorials, senior citizen's center, and emergency housing. It is



the intent of these restrictions that this property be used for these programs or similar programs for the public benefit.

**Section 2. Sale of Property.** In the event Christian Provision Ministries, its successors or assigns shall sell the property, then any net profits over and above the original purchase price Eighty-five thousand (\$85,000.00) Dollars shall revert to the Sanford Housing Authority. If the Sanford Housing Authority has any outstanding debt on project NC1P035003 at the time of sale, then all net proceeds from the sale shall go towards retiring that debt.

**Section 3. Quiet Enjoyment.** No obnoxious or offensive activity shall be carried on upon the Properties, nor shall anything be done which may be or may become a nuisance or annoyance to the neighborhood.

**Section 4. Severability.** Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions that shall remain in full force and effect.

**Section 5. Duration of Restrictions:** The controls and restrictions shall remain in force and effect until November 1, 2029.

IN WITNESS WHEREOF, the Sanford Housing Authority has caused this instrument to be executed by its officers and its seal to be hereunto affixed. This the 9 day of November 1999.

SANFORD HOUSING AUTHORITY

[Signature]  
Chairman / President

[Signature]  
Secretary



STATE OF NORTH CAROLINA - LEE COUNTY  
The foregoing certificate of Regis R. Williams, a Notary Public (Notary Public) of Lee County is (are) certified to be correct  
This 10<sup>th</sup> Day on Dec, 1999  
NELLY W. THOMAS, REGISTER OF DEEDS, LEE CO., NC  
By Betty B. Capper  
Assistant/Deputy Register of Deeds

BOOK 690 PAGE 919-A

North Carolina  
Lee County

I, a Notary Public of the County and state aforesaid, certify that Marcus D. Goodson, personally came before me this day and acknowledged that he is Secretary of Sanford Housing Authority, Inc. a North Carolina corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its chairman/president, sealed with its corporate seal and attested by him as its Secretary.

Witness my hand and official stamp or seal, this 9th day of November, 1999.

My commission expires: 12-17-2000

*Roger L. Williams*  
Notary Public



FILED  
BOOK PAGE  
PM DEC 10 P 12:45  
MELLIE W. THOMAS  
REGISTER OF DEEDS  
LEE COUNTY, N.C.

Exhibit Tax APPAS - C.K.

Recording Time, Book and Page

Tax Lot No. \_\_\_\_\_ Parcel Identifier No. \_\_\_\_\_  
Verified by \_\_\_\_\_ County on the \_\_\_\_\_ day of \_\_\_\_\_  
by \_\_\_\_\_

Mall after recording to Christian Provision Ministries, Inc.,  
1100 Garden Street, Sanford, NC 27330  
This instrument was prepared by William T. Wilson, Jr., Atty-At-Law, P.O. Box 1633, Sanford, NC 27331  
Brief description for the index \_\_\_\_\_

# NORTH CAROLINA GENERAL WARRANTY DEED

THIS DEED made this 14th day of October, 1999, by and between

GRANTOR

GRANTEE

SANFORD HOUSING AUTHORITY

CHRISTIAN PROVISION MINISTRIES, INC.

Enter in appropriate block for each party; name, address, and, if appropriate, character of entity, e.g. corporation or partnership.

The designation Grantor and Grantee as used herein shall include said parties, their heirs, successors, and assigns, and shall include singular, plural, masculine, feminine or neuter as required by context.

WITNESSETH, that the Grantor, for a valuable consideration paid by the Grantee, the receipt of which is hereby acknowledged, has and by these presents does grant, bargain, sell and convey unto the Grantee in fee simple, all that certain lot or parcel of land situated in the City of SANFORD, JONESBORO Township, Lee County, North Carolina and more particularly described as follows:

Being all of that certain tract containing 2.83 acres, more or less, as shown on survey for Charles Mallette, dated 2-2-99 by Brecken & Associates and recorded in Plat Cabinet 9, Slide 30-1 Lee County Registry, to which reference is hereby made for greater certainty of description.



BOOK 690 PAGE 921

The property hereinabove described was acquired by Grantor by instrument recorded in BOOK 109, PAGE 268

Lee County Registry

A map showing the above described property is recorded in Plat Book ..... page .....  
TO HAVE AND TO HOLD the aforesaid lot or parcel of land and all privileges and appurtenances thereto belonging to the Grantee in fee simple.

And the Grantor covenants with the Grantee, that Grantor is seized of the premises in fee simple, has the right to convey the same in fee simple, that title is marketable and free and clear of all encumbrances, and that Grantor will warrant and defend the title against the lawful claims of all persons whomsoever except for the exceptions hereinafter stated.  
Title to the property hereinabove described is subject to the following exceptions:



IN WITNESS WHEREOF, the Grantor has hereunto set his hand and seal, or if corporate, has caused this instrument to be signed in its corporate name by its duly authorized officers and its seal to be hereunto affixed by authority of its Board of Directors, the day and year first above written.

Sanford Housing Authority

(Corporate Name)

By: T. E. Carr

President

Attest: R. L. Williams

Secretary (Corporate Seal)

LINE BLACK INK ONLY

(SEAL)

(SEAL)

(SEAL)

(SEAL)



NORTH CAROLINA, Lee County.

I, a Notary Public of the County and State aforesaid, certify that T. E. Carr Grantor,

personally appeared before me this day and acknowledged the execution of the foregoing instrument. Witness my hand and official stamp or seal, this 10 day of November 1999

My commission expires: 12-17-2000 Roger L. Williams Notary Public

SEAL-STAMP



NORTH CAROLINA, Lee County.

I, a Notary Public of the County and State aforesaid, certify that MAKESH R. GODDARD Secretary of

Sanford Housing Authority a North Carolina corporation, and that by authority duly

given and as the act of the corporation, the foregoing instrument was signed in its name by its

President, sealed with its corporate seal and attested by him as its Secretary.

Witness my hand and official stamp or seal, this 10 day of November 1999.

My commission expires: 12-17-2000 Roger L. Williams Notary Public

The foregoing Certificate of Roger L. Williams, Notary Public

is hereby certified to be correct. This instrument and this certificate are duly registered of the date and time and in the Book and Page shown on the

first page hereof.

Register of Deeds for Lee County

By Deputy to Copy Deputy/Assistant Register of Deeds