



Agenda, Minutes, Reports, and Resolutions

Board of Commissioners Regular Meeting

Monday, July 22, 2024, at 6:00 pm

Hope White, Chairwoman

Marcus D. Goodson, Interim Chief Executive Officer

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

Date: July 22, 2024

Time: 6:00 pm

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 Monday, June 24, 2024

BOARD MINUTES

A meeting of the Board of Commissioners for Sanford Housing Authority was held on Monday June 24, 2024, at 6:00 p.m. at SHA Central Office, 317 Chatham Street, Sanford, NC 27330. Notice of this meeting was duly posted.

1. Roll Call:

ATTENDANCE:

Commissioner Hope White, Chairperson
Commissioner William Newby, Vice Chairperson
Commissioner Karen Wicker
Commissioner Holly Aeschliman

ABSENT:

Commissioner Erin Britton

2. APPROVAL OF MINUTES:

Ms. White asked for a motion to approve the May 28, 2024, board minutes with the right to make updates to them considering that they received the board minutes the previous Friday. Mr. Newby motioned to approve the minutes with the provision to change them if the board members have corrections after reading them. Ms. Aeschliman seconded the motion. Ms. White said that if anyone notices something that they want changed now, they could voice it now or email them later. Ms. White said that she has not reviewed all the minutes because she had a family obligations. She asked that any corrections to the minutes be emailed to her by Friday June 28, 2024, and she could put them all together in one email and send them to Mr. Goodson and he would get them to Anesha. All were in favor, the motion passed unanimously.

Financial Report

Mr. Blackwell said that the finances are still a work in progress. We have auditors offsite requesting a lot of paperwork, so we are having to request invoices from the vendors because they were not filed. We also have searched the old COCC building on a limited basis considering that the exposure to mold spores. Jeff explained upon Gabrielle Matthew's departure, he has seen that Gabby was primarily paying bills, but considering that her accounting abilities were limited, very little accounting was taking place. He said that he and Anesha have been diving into the vendor files and sorting bills to make payments; we have primarily been paying bills to get us caught up. He said from an invoicing

standpoint, we are about two months behind in invoicing. Most of the outstanding balances on the old list have been addressed, but some of them were inaccurate. We have been prioritizing outstanding invoices by some of our most important vendors to get them paid. He said that he can't say that some of the balances given last month were correct because we are discovering that on some of the accounts, we have credit balances.

Ms. White asked about The Banks Law firm, and Jeff said that we have paid them up. Ms. White asked if invoices for MGG and operations were paid and Anesha replied yes, but we still owe them about \$1000. Jeff said that of course this is fluid because we could pay up the invoices that we have but as we continue to use the services, other invoices will come up. He said that he had great delays in getting access to ACH via the bank to do direct deposits, which delayed us some because we did not have anyone who could see the accounts and no one to get into the treasury, which is a whole process to get approved to make transactions on a corporate account. He finally gained access and now can process ACH transactions. He said that the first week of June we were not able to do direct deposits, so we had to do physical checks for all of the landlords; he personally delivered one to a landlord in Fayetteville, where he lives.

Also, we are just getting final financials from BDO to be able to use beginning balances. He said that he had requested these financials but were not given them until the auditor requested them from BDO last week. He said that we have been keeping the wheels rolling. We now have closing balances to produce reliable finances. The City of Sanford payment is on track. He said that part of the hold up with City of Sanford was that they were not invoiced, and they must have an invoice number to attach to the payment. Sometimes the holdup is having to call the vendor to get the invoices to attach payments to, because without the invoice number, payments are sent back to us. He said that he is still trying to get Eloccs accessibility, so Sherri has been helping him do the drawdowns.

He has read the financial policies, and it has great accounting principles that he plans to adhere to, but for the last two years, it has not been adhered to it. He said that the invoicing and the payables is built into the policies. He said that considering we do not have a fee accountant; he may have to work outside of the system until SACS can produce the reports that the board is seeking. The system will not allow him to catchup with the board's demands because so many invoices have not been entered or invoices were in the system but were not paid. For example, there are invoices in the system dating back to 2021 and so we must find the invoices to see if they were paid or not paid. He said that he would have the financials after June 30, 2024. MGG financials will be given at the next board meeting and then we will go to operations.

Jeff said that with the team that we have, the process can be achieved without hiring someone, he said that we are learning as we go, and he does not have time to train anyone. He said that him, Sherri, and Anesha have worked hard to get it on track. Ms. White asked, other than you, who has access to the bank fob just in case you are out. Jeff replied, Anesha. Ms. White asked about the financials that BDO provided, Jeff said that they are in the board packet, but they have not been audited. He said that the

audited financials are from 2022. Ms. White asked who else would-be doing drawdowns and he said Sherri.

Dr. Wicker asked reiterated that there were some incorrect balances on the last list given to the board. Jeff said, yes because some of the accounts had credit balances that we did not know about, so we have been working with the vendors who sometimes must reproduce an outstanding invoice for us to pay it. He said that he didn't feel confident giving the last report. She asked when we could get an updated list. Jeff said that we could tell you which ones on the list that we have addressed. Jeff said that for the most part, we are caught up, except for the City of Sanford; he said that some were invoiced but not. Ms. White asked who will do training on the invoice and process for the property managers. She said, for the last two years referenced, the CFO was not in place, and no one was signing off on invoices. Sherri said that the managers currently sign off on the invoices and when a vendor sends her an invoice, she sends it to the staff, and they verify, sign it and then it comes to her. Jeff said that the disconnect started with accounting, not the staff. Ms. Aeschliman said, so we're taking steps to improve this process. Jeff said, yes.

Dr. Wicker said that she wanted a list of outstanding contracts, Ms. White said that Mr. Goodson just gave it to her, so she passed it down to the other board members. Mr. Goodson said that the list that you have are the companies that we have done business with recently, but we don't have contracts currently in place. He said that we will work through this list to get updated contracts if needed.

Mr. Goodson said that we are trimming the list down. Dr. Wicker asked about Cohen Reznick and Mr. Goodson is said that they are a big accounting firm that does the accounting for MGG. Mr. Goodson said that we left off Banks Law firm. Ms. White said during the last meeting, we owed A & J landscapers, over \$7,000 and Anesha replied that it has been paid in full. Ms. White asked about the grass, she said the contract said 21 times per year, but we need to increase it. Sherri said that she spoke with them and agreed that they would increase how often they cut the grass throughout the year. Sherri said that she looked at their contract and it states that they are to cut it no less than 4 inches so when you see the grass, it looks like it hasn't been cut so she has asked them to cut it lower but not to kill it. Ms. White asked if they were asked to do weed killing, etc. Sherri said, not necessarily, she must go out for RFPs.

Ms. White asked if our contract is up with them and Sherri said yes, but when she finds contracts that have expired, she goes to HUD and requests to continue using the vendor until she gets an RFP done. She said that HUD said not to do an addendum but just send the requests to them and they would approve it. Ms. White asked about the status of the two single turn lawn mowers and weed eaters that we had but didn't use because there was not enough maintenance staff to do the grass. Mr. Goodson said that one is broken but can be fixed but the other one is trash. Mr. Ferguson said that he got a call last week from a lady who called the city about the grass being cut because the landscapers blew the cut grass on the sidewalk and the weeds are up to the back door so people can't go out of their backdoor around the Garden St. community. He said that he spoke with other tenants who complained but said that if they tell Mr. Goodson, it gets done. Mr. Ferguson said that in his opinion, they are terrible.

Sherri said that considering that we had an outstanding balance with them, and they hadn't been paid in months, she is glad that they still come out. Anesha reiterated that we just paid the past due balance plus other charges we have incurred totaling over \$11,000. Sherri said that she still must go out for bids. Patrick said that recently they broke the lawn mower while cutting the grass on one of his properties and had to come back another day. Sherri said that she has spoken with them about leaving grass on the sidewalk and on the porches and they will correct that. She said that she had a call about grass being left on a patio of a unit and she got someone to the unit to clean the grass off. Dr. Wicker asked Sherri if it is possible to have the maintenance staff cut the grass if we have working equipment. Sherri said that she would have to say no at this time because the maintenance workers must complete work orders inside of the units. She said that our projects are big, and we don't have staffing for grass cutting. Mr. Goodson said that we will improve the contract with the current company for right now. He said that as Jeff finds disposable money, we can look at bringing in other staff to maintain the lawns during our next board retreat. Danielle asked about code enforcement to get vacant vehicles off the property. She also asked about stray animals. Mr. Ferguson asked if they posed a threat to the general population. Danielle said that she called to get both removed but has not gotten any help. Mr. Ferguson told her that he would give her his information and he could help her get in contact with the right people.

Mr. Goodson said that he hopes the board can appreciate how deep we are getting into the finances because we are starting over. He said that when you all request information, we are not ignoring you but want to send you accurate information. If we do this, the board will have an inaccurate depiction of where we are. He said for example, we had a credit with the city because they had a payment that they did not know where to apply the money to because the proper documentation was not sent. He said that we are just finding our footing with the finances. Also, Mr. Goodson said that Jeff has been here working hard to turn things around even though his brother is in the hospital in ICU and his family is going through a lot, but he is still here trying to turn things around.

Department Head Reports

Public Housing Report

Patrick reported the following:

Maintenance Report

Regular Work orders:

Linden Heights: 33 work orders were issued, 31 were completed and the other 2 were completed by the end of the month. The average turnaround time was 2 and ½ days.

Uteley: 19 work orders were issued, 19 were completed. The average turnaround time was 1 and ½ days.

Foushee: 14 work orders were issued, 12 were completed, and 2 were outstanding. The average turnaround time was 6.6 days.

Harris Court: 14 work orders were issued, 10 were completed and 4 were outstanding. The average turnaround time was 2 days.

226 Linden: 4 work orders were issued, all 4 were completed with an average turnaround of 11.2 days because they were not regular work orders, but unit turns that our maintenance staff completed.

Ms. White asked if the maintenance staff was doing the unit turns and Sherri replied, we are trying to ease them into doing the unit turns, for now we are using contractors. Ms. White said that maintenance used to do it. Sherri said that they will start doing them but, in their defense, we have had a lot of evictions so when there are too many, we must contract the work out. Patrick said that last week, he had 3 of his 4-maintenance staff working on unit turns, which left 1 person to do emergency work orders.

Emergency Work orders:

Linden Heights: 10 emergency work orders were issued and all 10 were completed within 24 hours.

Utley Plaza: 7 emergency work orders were issued and all 7 were completed within 24 hours.

Foushee Heights: 4 emergency work orders were issued and 4 were completed within 24 hours.

Harris Court: 3 emergency work orders were issued and 3 were completed within 24 hours.

226 Linden: No emergency work orders were issued.

Vacancy Report

Harris Ct. 100%

226 Linden: Is almost at 100% occupied even though we lost 2 people but will be back at 100% by the end of the month.

Linden Heights: 91% occupied 2 units offline, the rest of the units are in the return process.

Utley Plaza: 91% 4 vacant units in maintenance, 2 move-ins during May.

Foushee: 7 vacant units, 1 move-in for May.

Harris Court: 100% occupied.

Mr. Goodson asked if Patrick was getting calls about drug activity at Harris Court. Patrick said that there was a lady that we issued a notice to a couple of months back and she filed a grievance because we issued a 72-hour termination. He said they met with her and gave her one last chance to show that the situation had stopped, and he has not had other complaints since then. Mr. Goodson told Patrick to stay on top of this because he got his information from a reliable source who he trusts that the lady is the root of a lot of the problems with drug activity at Harris Court. Patrick noted that the only reason she was

given another chance is because the substance that he thought was illegal, it was said that it was legal, and we have no way of knowing unless we confiscate it and test it for court.

Ms. White asked who does the hearings. Sherri said that if it is a Section 8 hearing, usually someone outside of Section 8, and if it is housing, someone outside of housing. She said that it did not come to a hearing, it was an informal meeting with the tenant and property management; however, if they did not come up with a solution, it would have gone to an official hearing. Ms. White asked who does the formal hearings. Sherri said that if it was that tenant, it would have been someone in Section 8. Anesha said, Bryant Sterling. Ms. White said that she remembers a board member should be included in the hearing; she remembers doing a couple of hearings, specifically for Garden St. Anesha stated that we have not had a formal one in a while. Danielle said she would contact Bryant Sterling if she must have a formal hearing. Ms. White said that she wants to make sure that we get a board member in those hearings. Patrick said that if the board knows people who are making these accusations about the tenant, could they please give a written statement? Mr. Goodson said that some people are not going to because of their position. Patrick said that it makes his job harder because he needs documentation for court.

Anesha pointed out that even when we do the third-party hearings with Sterling, note that after that, the tenant is entitled to a panel hearing which she found out during the Joanne Wade case. Ms. White agreed. Ms. White said that it is not the sheriff's jurisdiction. Patrick said that he was at a property and the police department would not trespass, someone, he asked to be trespassed. Ms. White said that there is a trust pass list that they have on file with a contact person's name on it. The reason this happened is because the police department had a hard time getting reports in the past so the police department wanted one person to speak with when they came to get a report. She stated that when you want someone banned from the property, Sherri must go as the Director of Operations. She said that previously everyone lived out of town and did not want to come. Mr. Goodson and Anesha said that the person must be on the property to get trespassed. Mr. Ferguson said, yes, the person must be there to be trespassed. Patrick had requested the person be banned, and about two weeks later, they came and demanded that we accompany them and ban the person and they searched her apartment. Mr. Ferguson said to send him an email so that he can have the proper people come over. Sherri said that the police have been giving him the police reports. Ms. White said that some are detailed that only the Director of Operations can get.

Ms. White asked who Kesha Grant was, Kesha introduced herself as the Assistant Property Manager for public housing. Sherri said that she is having the Assistant Property Managers to be here for every other board meeting.

MGG

Ms. White asked if Danielle's phone was broken. She said that a person said that they called the main number and the receptionist said Sanford Housing Authority, the person asked who she was speaking with and whoever answered the phone said, you've reached the Sanford Housing Authority, who would

you like to speak with? The person said that they must make notes about who they speak with at the Sanford Housing Authority. The person said that they were trying to get in touch with Ms. Danielle, so the person answering the phone gave her the extension, but they were unable to reach her or leave a message. The person called back and the person who answered the phone said, oh yeah, her phone is messed up. She said that the person said, she is so tired of that housing authority. Ms. White said the person said that whoever answered the phone was very rude and nasty. Ms. White said that the person did not want to give a name. Mr. Goodson said that is not the phone system, that's customer service. Danielle said it could've been last week when the phone lines were down.

Mr. Goodson said that we are working on getting rid of the voicemail. Ms. White said she thought that he did this when he started; Mr. Goodson said that we did something but it's not working, and the voicemail is too long. He said there are too many people saying that they cannot get through to anyone. Danielle said that she gives people that she's working with her direct line, not her extension so that they don't have to go through that extension. Ms. White said that she looks online to get the extensions.

Danielle reported the following:

Maintenance Report:

Regular Work Orders

Matthews Court: There were 49 work orders issued, 48 were completed and there was 1 outstanding, which has now been completed. The average completion days is 5 days according to the computer, but she does not believe that.

Garden-Gilmore: There were 135 work orders issued, and 128 were completed. 7 have been closed. The average completion days is 8. Since the report, 7 additional work orders have been completed.

Emergency Work Orders

Matthews Court: There were 2 work orders issued, and both were completed within 24 hours.

Garden-Gilmore: There were 4 emergency work orders issued, and all 4 were completed within 24 hours.

Vacancy Report:

Matthews Court: There were 5 vacancies.

Garden-Gilmore: There were 24 vacancies.

Ms. White said that she is surprised that Matthews Ct. has 5 vacancies. Danielle said that she has had 4 people who have died recently. Mr. Goodson said that we have people waiting on the 1-bedroom units. Danielle said that because of the program, once we get the paperwork in, we still must get the application approved through the third-party verifier, and then inspected through McCright. She said that we had hiccups because we had to get utilities turned on and supplies to get them move-in ready. We do have some applicants approved, but those were some holdups to getting the units occupied. Ms.

White asked if we could get them in next month. Sherri said that we do have a system but there is a timing thing. She said that when there are approved applicants, then property management should be working immediately to get the unit to pass inspection. If they must stay late on Friday to have it ready for inspection, then that's what they must do to get the unit inspected and someone moving in a couple of days after; however, we must work in sync with each other to move better through the process. Sherri said that she has tenants ready for Garden-Gilmore as well so hopefully next month we will have more movement.

Ms. White asked if MGG has inspections coming up. Danielle replied that she has had and has multiple inspections coming up. She just had her MOR or Management Operations Review last month, and she just got the results today. Garden-Gilmore has a satisfactory score and Matthews Ct. received an above average score. Ms. White asked what the files looked like because she knew that they had to be uploaded. Danielle said, yes, this is the struggle. She said that she has had a few Assistant Property Managers, but they have no experience, so she had to train them on top of doing her work. Danielle said that she's had about 3 APMs. Ms. White asked if she has an Assistant Property Manager now; Danielle replied yes, but stated that she has no housing experience, but is a quick learner.

Ms. White asked the Director of Operations, Sheri, what we would do to get the files uploaded and questioned if we needed a part-time worker. Sherri said that she would hire as many people as Ms. White wants her to hire. Danielle said that this would help her out tremendously. Sherri said that the upload should have been done when the action was done. Danielle said yes, but we are working on past files. Ms. White said that her only solution is to hire someone, but she wants to make sure that these files are being uploaded because she does not want the property to be taken from us, so she wants it on record that the board wants to hear from the Director of Operations and the CEO about what the solution is to get these files uploaded. Sherri said that we must get them done but we must get them done and not save them. For example, if you do a move-in tomorrow, the upload is done on the same day, so you don't have to go back and upload them. She said that though it is time-consuming it is something that the assistant can do. If a move-out is completed today, the upload should be done today and not be put aside because the frustration comes when you have waited and have 25 that you must upload, which may take two weeks to do because the process is so tedious.

Also, we must be disciplined enough to upload the same day as the action occurs. Sherri said that you have 24 hours to do a move-out because you know that they are moving out; you inspect their unit, get their keys, complete their paperwork, and get the security deposit request to the finance department. We must get to the point where we are following processes and procedures that are in place and when we do that, there should be no need for a part-time person with 176 units. Danielle said that it should not be a problem once we get caught up. Ms. White asked so how we get caught up. Sherri said to bring in another person. She said that she brought another employee in who has the experience, but we are now behind again. Mr. Goodson said that we would think about that and get back to the board on this. Sherri said that she has no problem with doing this, but it cannot continue. Ms. White said that she agrees, but we must do our due diligence to take care of our people who are here. Ms. White said, let's make sure that the person we hire is good and can take the amount of work. Danielle said that some people have quit because of the workload. Mr. Goodson said that he appreciates this suggestion and that we have been playing catch up since he has been here. He said that we are now finally beginning to move forward. Ms. White said that Danielle may have some suggestions because she does not work here. Mr.

Goodson said that he is looking at the financial part because his management style is to look within the organization to solve the problems, but this may be a flaw in his management style, and getting help from a temporary company may be a benefit. Danielle said that if she can just get it to where she can focus on the files, the help would be good. Ms. White said that she wants to get her to the point where she is freed up to talk to the public. Danielle said that she does talk to the public but some days, she is bogged down. Sherri said that she agrees, none of the staff should be so busy that they cannot speak with the public. She said that the staff has office hours and during the closed hours, the staff is given the time to get the paperwork and administrative things done. Mr. Goodson said, that not speaking with the public is unacceptable and today a lady wanted to meet with him, and he met with her even though she didn't have a meeting set up and he didn't know what she wanted. He said that someone had given her his name and she was grateful that he took time out of his meeting to meet with her. He said that he expects the same from the staff and that we would address these customer service concerns at the staff retreat. Mr. Newby said that it would help her to have someone who is knowledgeable and could help train and help her get caught up. Mr. Goodson said that he would contact someone who used to work with him who is retired and may want to come back on a part-time basis.

HCV

Sherri explained we need to pay attention to the utilization rate and the lease-up rate. She said, for example, the VASH vouchers show that we have 25 VASH vouchers; 13 of which are leased up, for a lease-up rate of 52%, but we have no control over the VASH vouchers. The clients come from us from the VA, so even though we get paid to manage the vouchers from the VA, we have nothing to do with when they lease-up. Also, Harnett Training School is the same so when they are not at 100%, it is because we must rely on others to send us clients because we cannot pull from our waitlist for these vouchers. Our regular vouchers are at 76%, but as of May 2024, our utilization rate shows that we are spending more than authorized at 105%. HUD says that you must be at 98% or better on lease-ups or 98% of using your funds. We are overusing our funds purposely because we would rather HUD tell us to stop than for us to be under September 30, 2024, because that dictates our funding. She said that SEMAP Indicators show what the HUD fiscal requirements are, and the scores shown what our scores should be if we were scored today. She said that we should be a high performer if we were scored today.

Ms. White said that the last time that the federal government was here, they audited public housing. She asked how the board feels about having a third party come and audit our Section 8 department. She said that Section 8 has never been audited by a third party and public housing gets its hands slapped because of issues with paperwork. Anesha asked what type of third-party agency: HUD, private, etc. She stated that a couple of years ago, a company audited the Section 8 files out of Virginia. Ms. White said that she wants to get a third party to audit the files because public housing has its guidelines and HUD came down a couple of times and said, this is what you must do but Section 8 doesn't get that. She said that she wants to get ahead of problems before someone from HUD comes down and does it. She said that one of her family members was in a meeting and there were some complaints about telephone etiquette and other complaints about SHA and someone else said, don't worry, they're under investigation anyway, so to protect the staff and the board, Ms. White wants to make sure that Section 8 is audited by a third party. She said that to her knowledge we are currently auditing files in-house. Sherri said that

Keren currently audits them and then she audits them. Ms. White said that if the board agrees to it, the staff can let the board know what third-party company could conduct the audit. Mr. Goodson said that we have a pretty good relationship with the HUD field office in Greensboro and if we were under investigation, we would have been notified. Sherri agreed that we are not under investigation and to use a third party to audit Section 8 will be costly. Mr. Newby asked if we had to have a 95% lease-up or utilization rate and Sherri said, yes, one or the other. Sherri said that the auditors are now auditing the Section 8 department based on our SEMAP score and they are checking to see if we are properly self-reporting. Ms. White said that they usually come and get some of the public housing files to audit and do corrective action plans but don't do that for Section 8. Mr. Goodson said that though it may be expensive to do, it costs us nothing to reach out to companies and find out about the expense. Mr. Newby said that if this is a major expense, we should look at the cost considering that we have so much going on financially, we should allow the staff to research it and then bring it back to the board; Mr. Newby said that it does need to be done. Dr. Wicker said that she agrees it needs to be done and the staff can bring the totals back to the board. Ms. White said that HUD might do it for free; Sherri said that they won't do it especially since they have limited staff. Ms. White said, if there is an issue, she would like us to find out. Sherri said that she has created self-audit forms for the staff and everyone else. Ms. White asked how many Section 8 clients we have, and Sherri said 708. Mr. Newby asked if Keren audits the department's actions and Sherri said yes. Ms. White said that she likes Keren but thinks that it's too much for Keren. Sherri said that she audits after Keren. She said that there is a computer-generated calculation sheet that they use to calculate rents. Ms. White said that the third-party audits may catch actions done before the department's internal audits started.

Resident Services

Shkera said that there are 107 people on the program which is well above what is required; the requirement is 4 in HCV and 12 in public housing for a total of 16 participants. She said that two families were linked to summer camp referrals, 1 to youth programs, and 2 are participating in certificate classes (1 forklift and the other a transcribing class). One new person is going back to school to complete their bachelor's degree and two participants are currently working. Ms. White said before now she signed a couple of checks where residents were helping onsite. Sherri said that HUD allows us to hire tenants at a \$200.00 per month in the form of a stipend, to help pick up trash on the properties, which falls under property management. Mr. Goodson said they are doing a pretty good job, and we shouldn't see trash in the communities.

Ms. White asked how many graduates the program has this year, and Shkera said none. Ms. White asked Shkera if she is working on National Night Out. She said that she is working with resident councils to see if they can do National Night Out at all properties or just two. Ms. White said that we had a resident council person to apply to sit on the board, and she used to be the assistant resident council person for Stewart Manor. Mr. Goodson said that the mayor spoke about it in the last meeting. Ms. White asked how many active resident councils we have and Shkera said two, Linden Heights and Garden St. Mr. Goodson said that we should be able to get more than that. Shkera said that one issue is not having meeting spaces; she has been having the meetings online. She said that she has had to have them online due to limited meeting spaces, but now since 1st Street is open back up, we will be looking into having them there, but transportation from Foushee Heights to 1st Street may be a problem for

people. She said that she plans to use Matthews Court now that the property management staff have vacated the office. Ms. White asked if we could not hold meetings even though the staff was there and Shkera said no, because it is not a big space. Ms. White asked about other summer events. Shkera said that we used to do Family Night but would not be doing it this year so that she could focus solely on making National Night Out a big event. Ms. White asked if she had any help from the staff. Mr. Goodson said, not yet, but we also have a part-time position that we are looking to fill to assist her. Mr. Goodson said that he and Shkera spoke about some issues that the board expressed last week. Shkera showed them their previous housekeeping workshop materials. Mr. Goodson said that he left a message for the Tampa Housing Authority which has a good housekeeping program. Sherri said that the property management staff do housekeeping at move-in, but if there is a lease violation between move-in and certification, the management can make it mandatory to attend the housekeeping workshop that Resident Services is revamping.

Shkera said that she went to the site for the Food Bank last week and we have been approved to do the portable food pantry. She said that she has her shopper's certificate, and she passed the food safety program to handle the food. She asked that if the board has volunteers to let her know. She said that the food bank would be at 1021 Clark Circle. Ms. White asked if it was safe. Shkera said that she is there every day. Ms. White said that Shkera should speak with Mr. Newby about some of the sports teams that can volunteer. Mr. Newby said that his team could help. Ms. Aeschliman stated that Junior ROTC could help possibly. Shkera said that she wanted to make it big. Ms. White said that Mr. Ferguson may be able to help with some non-violent offender volunteers. Ms. White reiterated that property management does the housekeeping portion during the move-in. Sherri said, yes and she will work with Shkera to do a housekeeping PowerPoint for the tenants. Sherri said that she must change the lease to require tenants to go to a housekeeping workshop if they fail a housekeeping inspection. She said that she is redoing the leases anyway because the current leases are terrible; Danielle's lease does not have a line for the address, but NC approved it.

Shkera said that we did a computer workshop with Kramden Institute in December and awarded 12 laptop computers to participants. She said that she reached out to them, but they must wait on funding because they are a grant-funded program. Ms. White asked if the participants received the laptops and said that she did not remember it happening in 2023. Shkera said that Ms. Lemons one of the star residents taught the class. Mr. Goodson noted that the program is out of Durham.

Shkera said that one of her star residents who has a non-profit is having a fun day at Horton Park and she will be giving out SHA applications and information. She said that the resident was very helpful during the Christmas party and other events that we hosted. Ms. White asked for a flier, Shkera said that she would get it to Mr. Goodson, and he would get it to the board.

New Business

Mr. Goodson presented the Annual Plan. Mr. Goodson said that we must check certain boxes to make sure that we include what we anticipate we may participate in for the upcoming year. He said that you must amend the annual plan if you don't check something and then decide that you want to do it, so checking all the boxes doesn't hurt. He said that this is important because we still don't know whether Stewart Manor will be a demolition or renovation project. He said that we had three meetings for input about our annual plan, but we didn't get a lot of participation; however, when it pertains to moving

tenants out of development, then you would get more participation. Ms. White explained that this is an annual event and that we must post the meeting so that tenants can come in and give input and ask questions about plans. Ms. White asked if it was put on the social media site and Sherri said that Shkera did mention it, so she thinks that she did. Mr. Goodson said that if we get any comments, we must reply to them. Sherri said that the resident council person who is seeking to be on the board wrote that the people she spoke with wanted things like bigger counter spaces, basketball courts, better dryer ventilation, etc. Mr. Goodson said that we must respond to this request and Sherri said that she would respond. Ms. White asked for someone to make a motion to approve the Annual Plan. Mr. Newby made the motion to approve the Annual Plan. Ms. Aeschliman seconded the motion. All were in favor; the motion passed unanimously. Ms. White explained that the Annual Plan must be done each year. Ms. White asked if there were any questions. There were no questions.

Mr. Goodson said that the two board members who were reappointed must go to the city to be sworn in. He said that there is a newly appointed member that he heard about at the last City Council meeting. Ms. White said that Mr. Goodson is responsible for calling the new member and setting up a meeting. Ms. White said that it is also Mr. Goodson's responsibility to give them the by-laws, annual plan, ACOP, administrative plan, five-year plan, etc. Mr. Goodson said that he likes to take new board members on tours because they need to know which properties are ours and which ones are not ours. Ms. Aeschliman agreed and said it would be good to get a perspective on the properties. Ms. White said that she wants to make sure that all board members receive the latest edition of Robert Rules so we can know why the board works and what the board does during meetings. Ms. White asked Mr. Blackwell to put a line item in the budget for board training. Ms. White said that in the past, the board has received training.

Mr. Goodson said that he and Sherri toured the 1000 Carthage St. building with Stogner this week, and he said that as we allow it to sit, the worse the building gets. Stogner is putting together something for us to get to the board about restoring the building.

Mr. Goodson spoke about the MOR, as Danielle reported, we received a satisfactory for Garden-Gilmore and an above satisfactory for Matthews Court. He said that he is proud of the progress that we are making. We have an annual inspection coming up on Wednesday of this week for MGG so hopefully, we'll do good on that. Sherri said that we had an inspection at 226 Linden in May, an audit at MGG this Wednesday, an audit at 226 for July, and August is MGG's inspection.

Mr. Goodson said that there is a training opportunity to send some board members and staff members to the Carolina Council training. He said that he does not send people to Vegas for training, but he waits until it comes closer.

Wednesday, June 26th at 9:00 am, we are having a structural test done at Stewart Manor. They will be doing drilling and taking samples to see if the core of the building can be preserved. Fleming and Associates are the ones hired to do the testing.

The annual staff retreat is on Wednesday, July 24, 2024, at the Dennis Wicker Civic Center. He said that we have a speaker, he is never met her but received it from a previous college colleague. He said that the speaker sent a good presentation and Jeff, Sherri, and Anesha all agreed that her presentation was the better out of the 2 presentations that we received. He said that the customer service piece is big, and this is something that she will be talking about. She has put together a survey that the staff must return before the meeting. He said that she knows that customer service must be a big part of the retreat. Mr. Goodson recapped action items that the staff will be looking into or doing before the next board meeting:

1. A new phone system, because the current one takes too long to route people to someone
2. Feasibility of fixing the John Deere mower
3. Securing Danielle help
4. Getting a third-party auditor for Section 8
5. Ordering Roberts Rules of Order
6. Getting a part-time person for the FSS program

Ms. White asked who would be helping Mr. Blackwell and Mr. Goodson replied, Anesha. She said Anesha is Executive Assistant, HR, and now she's going to help with accounting, not acceptable. Mr. Goodson said that when we lose someone, he uses someone on staff who can absorb those responsibilities, that's what he does to save the agency money. He said that he is now doing some of the executive assistant tasks that Anesha used to do. Mr. Goodson explained that Anesha has been working with Jeff and they've been working well together and making progress. He said he does not want to bring in another person at 40K right now. Jeff said that we took the responsibilities that Gabby had and now Anesha does them. Mr. Goodson said, eventually, Kincaid will be helping with some Fee Accounting until Jeff gets up to speed. They were supposed to start before now but because they had an accountant to die at one of his agencies, they had to postpone them working with us.

Ms. White said if Mr. Blackwell must leave to take care of family business, for a week or two weeks, how do we not put ourselves in the same position that we are getting out of, is that going to be left up to Ms. Pittman? Mr. Goodson said, in part yes, it will be left up to her. Mr. Goodson said that right now it is working, and he does not want to bring someone else in like when we were paying for a couple of people in accounting, and they were not working.

He said that we have been searching for people and can't find financial people. Ms. White said that she believes that Mr. Blackwell will leave a paper trail, but she does not want us to have to reinvent the wheel. Mr. Goodson said that he is not going to make any decisions that will make us go backward. Anesha asked what Ms. White's hesitation was regarding her assuming more duties in accounting, especially since in the matter of a month, she and Jeff have paid \$186K out and are working to prioritize paying bills. Anesha said bringing in another person would require training and the way our accounting system has been set up, there is a lot of historical data that the person will have to be trained on so she may as well do it herself. Ms. White said that the board has not seen the 2024 financials: only the 2022 and 2023 financials. Dr. Wicker said that there is no visibility. Ms. White said secondly, we've had concerns and complaints about HR stuff and Anesha asked from who. Ms. White said that she doesn't want there to be a question of ethics where Anesha's paying people with so much money involved. Ms. Aeschliman said that they don't want everything to fall on Anesha. Anesha said that a lot of the HR

functionalities are now automated; employees can pull paystubs, make deduction changes, make changes to tax deductions, and retrieve their W-2 forms through a portal. She stated that she had someone from our retirement brokerage firm meet with the staff so that they could call him if they need to discuss changes to distributions, retirement loans, and making decisions about their situations. She stated that if there are changes that must be made, she simply emails the payroll company a breakdown that the retirement company provides.

Mr. Blackwell said that when it comes to invoices, Anesha already receives and stamps the invoices; the only thing different now is once invoices are approved and coded, she puts the invoice into the system for payment. The payments that are made are approved and created either through ACH direct deposit or physical check after she invoices. What she is tasked with doing is invoicing; invoicing should be done daily but payments should be done bi-weekly. Ms. White said that she wants to make sure that the HR stuff is not going behind because Anesha is trying to help Jeff. Mr. Blackwell said as the CFO, he is not supposed to enter the items to be paid. Ms. White said to Mr. Goodson, so you are going to be responsible for getting me this board packet a week in advance and Mr. Goodson said yes, you should have it a week before the meeting. Ms. Aeschliman said if Jeff goes on leave or to handle family business, the board doesn't want us to go back to where we were.

Anesha asked if Ms. White could further explain the complaints about HR. She said that a lot of anonymous people get to run and talk about HR and part of it is, they do not like the person in HR. Anesha said, I don't think that it has been fair, because like others, she is an employee too. Mr. Goodson told Anesha that everybody gets attacked and that someone wrote an anonymous letter that was untrue about him and not to take it personally. Anesha said that she does not take it personally, but she has not been confronted about the things that these people are saying, and it is not fair. Ms. Aeschliman said that the board remains objective and does not take things at face value because they know that some things are left out. Mr. Newby asked about how things are being automated. Anesha said that HR is still available to meet with employees but has automated some functions to free up more time. She said that she has automated some HR functions so that she can help in different areas if needed. She said that for example, the auditor needs help getting documents and information, so she has been helping in that capacity because she is a team player.

Sherri said that Anesha has delegated some of the timekeeping responsibilities to the managers who make sure that their employees are properly clocking in and out consistently. She said that the managers audit employee time before Anesha processes payroll. Ms. Aeschliman said that even with automation that there will still be times where attention is needed from employees. Anesha said that she knows that and had a meeting scheduled tomorrow to meet with an employee. She said, we are cleaning up the financial part, and once we clean it up it will be easier, right now we are finding and pulling down money for the agency. Dr. Wicker said that the board does not have visibility of the financials and how HR has incorporated automation. She said that Anesha has a whole job, so what is happening to the whole job? She said that this is where the problem comes in is that Anesha is still doing the whole job. Anesha said that she has been doing some accounting functions, not to this magnitude, but even before Mr. Blackwell came. She has had to call vendors and be the go-between at times because vendors were not being communicated with from the accounting department; also, she said that she has had to make bank deposits before Mr. Blackwell, and she feels that it is about knowing how to manage your time. She stated that she works from the time she gets to work, until she leaves and sometimes without taking

a lunch break because she wants to get things done. She said that she works off a task list daily which is just how she operates. Anesha stated that we are getting these bills paid and invoiced, we are trying to make sure that we are following the process and if she or Jeff is out, someone else will know how to make the accounting department still operate; this is important to her.

Ms. White said, let me do this a nice way, she said that she felt attacked and that she is always going to ask questions. The survey that was completed was not for anybody to discuss other than the board and the results were given to Mr. Goodson to discuss with Anesha regarding feedback. Anesha stated that she understands how it feels to feel attacked because on the survey 80% of the survey questions were about HR, and she felt attacked as well considering that she had to sit around a table with her peers and the majority of the survey questions were about her department, in which she is the only person in the department. Ms. White said that she did not create the survey, but created it years ago and that it was not many questions about HR. Anesha said that she sat around the table as the only person in HR and it was not about different areas of the company, but primarily about HR functions. She said the same way that Ms. White felt attacked, she is a human being too, she is here to do a job, the best job that she can do for the residents and the community. She said that she works unto God and not unto man, which is why she tries to do her best at her job.

Ms. White asked the other board members if the survey was biased, Dr. Wicker said that there were comments where people just stated whatever they felt. Anesha said that not all the staff were surveyed because they did not know about the survey until the day of, so some people had to leave early. Ms. White said she has concerns with getting the board packets earlier, employees receiving check stubs, and benefits not being right. Anesha said that some issues Ms. White referred to were also problems before she got back into HR, like some AFLAC deductions. Ms. White said that if there is an issue, the board goes straight to Mr. Goodson who should address the concern with staff.

Mr. Goodson said that he needs the board to trust him. He said that he had never believed that Anesha's position was a full-time position since he's been here, but he's had her doing other tasks and every other housing authority has HR under finance; Mr. Blackwell said that the policy is there that supports this and Anesha is the only one who has been able to help him because if he has a question about the vendors, she is familiar with them. Ms. White said that was not stated before, she said that she asked if Mr. Blackwell was not going to be here, who was going to handle finances and you said Anesha, you didn't even want to look at the policy before when I brought it up, now it's coming up. Mr. Blackwell said that he was talking about internal control policy and the separation of duties in which in your internal control policies, which has been approved by the board repeatedly, the HR Generalist receives the invoices, distributes them, and then recollects them to present for approval. Jeff said that Anesha has been helping him with this process and Sherri has been helping him do drawdowns since he does not have access to Elocos. Jeff said that Anesha and Sherri help him more than he helps them. He said when we looked at the Accounts Payable role, Anesha was already doing most of it except writing checks. Ms. White said, I don't know what she was doing, and Mr. Newby said, we keep saying the same thing, Jeff has clarified what she is doing, and it is according to policy, why are we still talking about this? If there is an issue with Anesha, let's say it. They have backed up what she is doing with policy. Ms. White replied after I said my concern. Mr. Newby reiterated, if not Anesha, who else do we have in place with the knowledge that she has? Ms White said if she's going to do it fine. She wants to make sure that the person knows what they are doing, that's all.

Mr. Goodson said that we need to do some soul-searching. He said that he has been doing this for 30 years; he made a staff decision, and the board should support that decision until it blows up. He said that the board's actions are that they don't have trust in him anymore. Ms. Aeschliman said that's not what it is. Mr. Newby said that this is not the case but that there is a lot of emotion in the room right now. He said that Hope has admitted that she felt attacked and now you feel like we do not support your decisions. Mr. Newby said that he thinks that the emotion is clouding the room. He said that there have been sometimes when we have questioned you, as I am sure that you have questioned the board, but we trust your decisions. He said that Anesha is the one if Jeff is out, and we have backed it with policy, if you do not feel comfortable then we need to speak up; otherwise, if it blows up in our face, we'll come to you as the Interim CEO.

Mr. Goodson asked, what has blown up so far, we are moving in the right direction. Jeff said that if it blows up, the accounting policies and procedures need to be changed. Jeff said that he is the liaison between the agency and HUD and if the policies and procedures are being followed then there should not be a problem but if you have a problem with the personnel, then that is a personal issue; the job is clearly outlined. Jeff said once you have coded and invoiced it, creating the check is easy. He said that he oversees determining if the payments will be made but is glad that Anesha is helping her; he stated that he needs all the good help that he can get and all the good support so that can get done what needs to get done; as Marcus said, the most important position is the CFO and he is now seeing it because we are always talking about the finances. We went back and forth and lost the accounting clerks, who were not doing what they were supposed to be doing, we changed software companies, and so much has gone on but he appreciates Anesha and Sherri helping him operate the accounting department; we do not have any problems, we're solving problems. Ms. Aeschliman said that asking questions should not feel like an attack. Mr. Goodson said that this is just new to him, he has never been asked questions by his boards about staffing decisions. Ms. White said that we will close our meeting now and she is allowed to ask questions about things in the board packet so that when she gets the calls, and her name is at stake as well as the other board members, she knows how to answer. Mr. Newby said that we must have effective communication to not get what we got today. He asked that we work on effective communication without all the emotion. He said that he believes that everyone wants what is best for the agency. Ms. White asked that someone make a motion to adjourn the board meeting Dr. Wicker motioned to adjourn. Holly seconded the motion; all were in favor. The motion passed unanimously.

Commissioners' Comments

Public Comments

There were no public comments.

Closed Session

Adjournment

The board meeting adjourned at 8:38 pm.

Marcus D. Goodson

Date

4. **Public Housing and 226 Linden Vacancy & Maintenance Report**

A. **Vacancy Report June 2024**

VACANCY REPORT AS OF June 2024								
PROPERTY	TOTAL UNITS	Office Space Non Dwelling Units	Offline HUD Approved	Vacant Units in Maint	Vacant Units Ready to Rent	Total Move In for the month	Month Turnaround Days	Current Occupancy Rate
Linden Heights	47	1	2	4	1	2	161	85%
Utley Plaza	55	1	0	4	0	0	110	93%
Foushee Heights	40	0	0	5	2	1	169	83%
HARRIS	26	0	0	1	0	0	11	96%
226 Linden Avenue	5	0	0	0	0	0	0	100%
Total	173	2	2	12	3	3	451	93%

B. Maintenance Report-June 2024-End of Month

SANFORD HOUSING AUTHORITY MAINTENANCE DEPARTMENT REPORT

June 2024 MONTH END REPORT

WORK ORDERS	Linden Ave.	Utley Plaza	Foushee Heights	Harris Court	226 Linden
TOTAL WORK ORDERS ISSUED	28	18	11	9	3
TOTAL WORK ORDERS COMPLETED	26	16	10	7	3
OUTSTANDING WORK ORDERS	2	2	1	2	0
AVERAGE COMPLETION DAYS	26.33	32.81	16.23	45.61	0.31
EMERGENCY WORK ORDERS ISSUED	12	7	4	3	0
EMERGENCY WORK ORDERS COMPLETED With In 24 HOURS	12	7	4	3	0
OUTSTANDING EMERGENCY WORK ORDERS	0	0	0	0	0
% OF EMERGENCY WORK ORDERS COMPLETED With In 24 HOURS	100%	100%	100%	100%	100%
Amount Charged to Tenants	\$0.00	\$87.00	\$0.00	\$0.00	\$0.00

5. MGG/RAD Vacancy & Maintenance Reports

A. Vacancy Report-June 2024

Matthews Court, Garden Street and Gilmore Terrace							
VACANCY REPORT AS OF JUNE 2024							
PROPERTY	TOTAL UNITS	Office Space NON DWELLING UNITS	Total Number of Move Ins for the month	Vacant Units in Maintenance	Vacant Units Ready to Rent	Month Turnaround Days	Current Occupancy Rate
Matthews Court	50	1	0	2	3	155	90%
Garden Gilmore	126	3	0	14	15	854	76%
Total	176	4	0	16	18	1009	83%

B. Maintenance Report-June 2024-End of Month

MGG SANFORD HOUSING AUTHORITY MAINTENANCE DEPARTMENT REPORT		
JUNE 2024 MONTH END REPORT		
	Matthews Ct.	Garden-Gillmore
TOTAL WORK ORDERS ISSUED	22	76
TOTAL WORK ORDERS COMPLETED	19	65
OUTSTANDING WORK ORDERS	3	11
AVERAGE COMPLETION DAYS	9	2
EMERGENCY WORK ORDERS ISSUED	3	8
EMERGENCY WOs COMPLETED WITHIN 24 HRS	3	8
OUTSTANDING EMERGENCY WORK ORDERS	0	0
% OF EMERGENCY COMPLETED WITHIN 24 HRS	100%	100%
Amount Charged to Tenants	0	0

**6. Housing Choice Voucher Report-June
Occupancy/Intake Status Report
6/30/2024**

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

June 2024	Allocation	Actual Housed Units Leased	Lease Up Rate %
HCV (Regular Vouchers)	708	547	77%
VASH	25	14	56%
Harnett Training School (PBV)	37	35	95%
226 Linden Apartments (PBV)	5	5	100%
Matthews Court (RAD)	50	43	86%
Garden Street / Gilmore Terrace (RAD)	126	98	78%
Total HCV *At least 95%	951	742	78%

June 2024	Funds Authorized	Funds Received	Funds Utilized	Utilization Rate *At least 95%
Total HCV	\$397,243.00	\$432,824.00	\$424,859.00	105% TYT as of 4/30

New Vouchers Issued: 31
Total Vouchers Searching: 140
New Admissions: 12
End of Participation: 7

SEMAP Indicators as of June 30, 2024

SEMAP Indicator	Current	HUD FYE Requirement
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 41 (4 Mandatory)	1025%	80% or more
FSS Escrow Account 27	66%	30% or more

HCV Department YTD Rates


FY 2024	Allocation	HCV	VASH	HTS	226	MC	GG	Total	Lease Up Rate	Funds Utilization Rate
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%	101%
1/1/2024	941	509	13	33	5	49	113	722	77%	105%
2/1/2024	941	519	13	31	5	50	115	733	78%	104%
3/1/2024	941	530	13	32	5	50	112	742	79%	104%
4/1/2024	951	534	13	33	5	46	101	732	77%	105%
5/1/2024	951	540	13	34	5	45	100	737	77%	105%
6/1/2024	951	547	14	35	5	43	98	742	78%	105%

MGG Waiting List (As of June 1st when HCV took over)

Matthews Court	1BR	2BR
On Waiting List	23	4
Selected	12	0
Referred to MGG	4	0

Garden Gilmore	1BR	2BR	3BR	4BR	5BR
On Waiting List	62	44	16	2	0
Selected	5	14	16	2	0
Referred to MGG	0	1	5	0	0

7. Resident Services-FSS Report-June 2024

		
Resident Services Program Activities		
June 2024 Monthly Report		
Programs/Services/Resources	FSS	Residents
Backpack Snacks	0	270
Credit/ Budgeting	1 -workshops	0
Transportation Assistance	0	0
Community Outreach	2 - workshops	1- workshop
Use of Community Center	1	0
Youth Services	0	1
Financial Education	2- workshop	0
Job Retention Activity	1-workshop	0
Individualized counseling	4	3

8. Development Report (Not included)

9. New Business

A. TAG Real Estate Financial Advisory Services Contract

B. Stogner Administrative Office Renovation Proposal

10. Commissioners' Comments

11. Public Comments

12. Closed Session (If needed)

13. Adjournment



MEMORANDUM

To: Board of Commissioners
From: Marcus D. Goodson, Interim CEO *MDG*
Date: July 15, 2024
Subject: TAG Agreement for Real Estate Financial Advisory Services

Although the board has approved entering into this Agreement with TAG for real estate financial advisory services, I thought it prudent to revisit this matter before signing the Agreement given the continued conversation by the board as to the real need for these services. The terms of this Agreement is for three (3) years but can be terminated by mutual agreement of both parties.

Agreement to Provide Real Estate Financial Advisory Services

This Agreement for Real Estate Financial Advisory Services (this **Agreement**) is entered into as of February 1, 2024 by and between the Sanford Housing Authority (hereinafter **SHA**), having its principal place of business at 317 Chatham Street, Sanford, NC 27330 and TAG Associates Revitalization Services, Inc. (hereinafter called “the **CONTRACTOR**” or “**TAG**”), having its principal place of business at 511 Washington Street, Suite 101, Norwood, MA 02062.

PREAMBLE

- A. SHA wishes to obtain financial advisory services as set forth on Exhibit A (the “services”).
- B. SHA selected Contractor through a competitive procurement process to provide Real Estate Financial Advisory Services.
- C. The Contractor selected possesses the qualifications and is willing to provide Real Estate Financial Advisory Services to SHA.

AGREEMENT

NOW THEREFORE, it is agreed, in consideration of the mutual covenants and conditions contained herein, the parties, with the intent to be legally bound, agree as follows:

Section 1. Engagement of Contractor

The SHA hereby engages the Contractor and the Contractor hereby agrees to provide all Real Estate Financial Advisory Services required upon the terms and conditions set forth herein.

Section 2. Term

The Contractor shall be available to commence performance of the services under this Agreement on or after February 1, 2024. This contract shall stay in effect for a period of three (3) years from February 1, 2024. At its sole option, SHA shall have the right to extend the term of this contract for up to two (2) additional (1) one-year periods, upon SHA providing notice to the Contractor and the parties exercising an amendment or option extending the terms thereof.

Section 3. Compensation for Services

The Contractor and its team members shall be compensated for the services provided under this Agreement as set forth on the fee schedule (the “**Fee Schedule**”) attached as Exhibit B. TAG will perform services under this contract, as directed by SHA, through the issuance of individual task orders that are mutually agreed upon by the signatories to this agreement or their designees. Said task orders will define the scope of work and contain a not-to-exceed dollar amount which may be modified upon the mutual acceptance of TAG and SHA. TAG shall invoice the SHA monthly for its Real Estate Financial Advisory Services and reimbursable expenses. The SHA will remit payment for invoices properly submitted within 30 days after receipt by SHA.

Section 4. Termination

This Agreement may be terminated:

- (a) By the mutual agreement of the parties; or
- (b) If there has been a material default in the performance or observance of any term or condition of this Agreement by SHA or Contractor that is not cured in 30 days after written receipt of notice thereof from the non defaulting party; providing that if such default cannot reasonably be cured within 30 days and the defaulting party shall have commenced to cure such default within such 30 day period, then the defaulting party shall have such additional time as is reasonably necessary to cure the default, it being agreed that no extension shall be for a period in excess of 120 days.
- (c) The SHA may suspend or terminate the Real Estate Financial Advisory Services in whole, or from time to time in part, for the convenience of the SHA by delivering to the Contractor a written notice prior to any effective termination date. The notice shall specify that the termination is for the convenience of SHA, and the effective date. If the SHA terminates the Agreement for convenience or the Real Estate Financial Advisory Services are suspended for convenience for a period of time in excess of 45 days, either in whole or in part, Contractor shall be paid for all Services performed and expenses incurred up to the date of termination or suspension.

Section 5. Documents; Access

Contractor shall maintain books and records that pertain to its performance under this Agreement and such books and records shall be kept in accordance with generally accepted accounting principles and be preserved for three years beyond termination of

this Agreement and shall be made available to the Authority or the U.S. Department of Housing and Urban Development upon 15 days advance notice.

Section 6. Contractual Relationship

The Contractor, and any of its sub-contractors selected with the consent of SHA, will be and shall remain independent contractors under this Agreement without any express or implied authority or power to act as agent or to otherwise act for or bind SHA. SHA will have no fiduciary or other relationship with Contractor, except for the contractual relationship expressed by the provisions of this instrument.

Section 7. Subcontractors

Contractor agrees that no subcontractors will be used in the performance of this Agreement without the prior approval and consent of SHA.

Section 8. Contractor's Representations

The Contractor represents:

1. The Contractor will comply with all applicable laws, ordinances and regulations that govern its performance of this Agreement.
2. During the term of this Agreement, Contractor shall, at its sole expense, maintain professional liability insurance.
3. The parties agree to comply with the conflict of interest provisions set forth in 24 CFR Part 85 and 24 CFR Part 941.

Section 9. General Provisions

A. Changes to Agreement. Changes to this Agreement will be enforceable only if recorded in writing and executed by the signatories to this Agreement.

B. Confidentiality. All information and data to which the Contractor may have access or which is received under this Agreement shall be treated in confidence and used only for purposes in performing the work and shall not be duplicated, used or disclosed to any third party without the prior written permission of the SHA.

C. Ownership of Documents. The Contractor shall deliver to the SHA all reports, data or information produced while performing this Agreement and they shall become the property of the SHA upon their approval by SHA or upon termination of the Contractor's services hereunder.

D. Notices and Demands. Any notice or demand permitted or required under this Agreement to be given or served by either of the parties hereto or upon the other party hereto shall be made in writing and shall be signed in the name of the party giving or serving same. Notice to SHA shall be served on Marcus Goodson, Interim Executive Director, Sanford Housing Authority, 317 Chatham Street, PO Box 636, Sanford, NC 27331. Notice to the Contractor shall be served on Jeffrey K. Lines, President, TAG Associates Revitalization Services, Inc., 511 Washington Street, Suite 101, Norwood, MA 02062.

E. Governing Law. This Agreement is made, interpreted and governed under the laws of the State of North Carolina.

F. Entire Agreement. This Agreement constitutes the final agreement and understanding between the parties with respect to the subject matter hereof and supersedes all prior negotiations, understandings and agreements between the parties, whether written or oral. This Agreement may be amended, supplemented or changed only by a writing executed by all the parties.

G. Severability. If any term or provision of this Agreement is declared by a court of competent jurisdiction to be invalid or unenforceable such term or provision shall be deemed severed from this Agreement and the remaining parts shall continue in full force as though such invalid or unenforceable term or provision had not been part of this Agreement.

Signatures on next page.

IN WITNESS THEREOF, the Sanford Housing Authority and the Contractor have executed this Agreement.

FOR: Sanford Housing Authority

By: _____
Marcus D. Goodson

Title: Interim Executive Director

Date :

FOR: TAG Associates Revitalization Services, Inc.

By: _____
Jeffrey K. Lines

Title: President

Date :

EXHIBIT A – Scope of Services

Services will be consistent with those tasks as identified in the RFP issued by SHA and the proposal as submitted by the Contractor and may include but not be limited to the following:

- At the Authority request or as otherwise agreed, make presentations to the Board of Commissioners, other approval authorities, meetings pertaining to general activities and personally participate in organizational meetings for approved financing projects
- Serve as a consultant on tax exempt multi-family rental housing revenue bond debt financing projects; provide independent financial advice; participate in the financing process to accomplish objectives; and serve solely the interests of SHA and its affiliates as it considers certain aspects of a mixed-finance modernization of one or more sites involving Low Income Housing Tax Credits (LIHTC), RAD, or any other suitable financing program.
- Develop and maintain a plan of finance that addresses the needs of the Authority; Assisting in generating a financial plan for redevelopment and/or modernization of public and assisted housing sites, including proposing financial structures that meet HUD or IRS requirements and other funding sources if necessary.
- Investigate and create financial structures that will result in the most efficient use of the Authority resources, in terms of leveraging other funds and in minimizing the Authority's total financial outlay and risks.
- Assist in the preparation of project cash flows, proformas, timing and sources and uses of funds that demonstrate optimal use of revenue sources and sale of tax credits to potential investors and incorporating other sources of revenues.
- Identify the financial implications of the terms, conditions and risks imposed on the Authority by underwriters, lenders and investors, while also suggesting ways to mitigate any perceived risks; Evaluate cash flows coordinated with existing debt commitments to determine potential impacts on existing debt and any proposed financing; analyze the financing impact of project costs, cash flow projections
- Assist in the identification of, and negotiation with, tax credit investors, lenders, underwriters, credit enhancers, and other potential development partners.
- Assist in evaluating the financial feasibility and future investment implications to the Authority from commercial and residential development and modernization proposals submitted to the Authority, including reviewing and analyzing proposed sources of funds, proformas, operating statements, and reserve requirements and use of Authority funds.
- Assist in preparing LIHTC applications for both competitive and noncompetitive tax credits and bonds as appropriate and in the preparation and presentation of other applications to secure funding sources.
- In conjunction with Authority Executive staff and others, evaluate size, structure, specific terms and conditions of debt financings, including debt service analysis

and other analysis required by bond counsel or rating agencies or as otherwise necessitated by specific bond structures; from initial proposal through date of pricing or sale, provide periodic updates as to the effect of changing market conditions on the financing.

- Provide credit analysis and develop qualification criteria for bond insurers and assist the Authority in securing bond insurance or credit enhancement for debt transactions, including participation in the process of negotiating with providers of these services, as appropriate.
- Assist the Authority in selection and engagement of appropriate professionals, which may include preparing a list of services required of underwriters; trustees; credit enhancement, verification agents and other professionals, and participate in the development of appropriate Request for Qualifications and/or Proposals for their services.
- In coordination with Authority Executive Staff and others, provide advice regarding the use of bond financing in connection with federal and state financing, LIHTC, and other public and private financing sources.
- Assist in the preparation and development of official statements and various schedules included therein; assist in disclosure determinations; review and provide comments to all other legal and financing documents, such as partnership agreements, reserve agreements, property agreements, regulatory and operating agreements
- Identify contingencies and perform various breakeven and sensitivity analyses to guide the Authority in developing decision points.
- Prepare, maintain, and actively manage the financing schedule to ensure adherence to deadlines prescribed thereby.
- Assist with tax analysis, in negotiating financial obligations and terms with developers and/or funding sources and in closing the final transactions and statements.
- Review the status of resolutions, cash flow projections, balance sheets and contingent liabilities, bond call strategy, financial exposure, cost projections and use of unencumbered reserves by the Authority.
- Evaluate Authority's policies and practices with respect to debt issuance of revenue bonds, including an analysis of the benefits of, among others, competitive versus negotiated sale.
- Advise the Authority in developing best practices in defining roles and responsibilities of SHA staff, underwriters, counsel, and others as it relates to project financing.
- Perform special studies and analyses and other tasks related to financial services consulting duties, as requested by the Authority.
- Upon prior approval of the Authority and, when necessary, obtain the services of professional consultants which may be necessary to fulfill the Real Estate Financial Advisor's obligations.

EXHIBIT B -Pricing

Hourly Rates

TAG will use the following rates for any task orders (which can be established as fixed fee if requested by SHA or as a not to exceed fee so long as there is a reasonably defined scope of work requested) and will invoice monthly based on actual hours and expenses incurred during the preceding month. We would request payment within 30 days of a properly submitted invoice.

TAG Hourly Rates: 2024 GSA Rates

Principal	\$259.89 per hour
Senior Associate	\$206.14 per hour
Associate	\$147.89 per hour
Research Associate	\$116.51 per hour

TAG commits to holding the proposed rates steady for the first two years of the contract, if awarded – TAG would re-visit the proposed rates in year 3 to see if it would request an increase from SHA which would have final approval to decide. As a reference point, our GSA rates only increase annually by 1.9% at the current time.

In the event additional resources are required, TAG will work with the SHA to identify and procure these services, or at the request and approval of SHA, procure these services independently under TAG's contract, utilizing TAG's standard 10% general and administrative and 5% fee mark-up, or some other methodology as mutually agreed upon by TAG and SHA.



MEMORANDUM

To: Board of Commissioners

From: Marcus D. Goodson, Interim CEO *M DG*

Date: July 15, 2024

Subject: Feasibility Study for 1000 Carthage Street Building

Please find attached, a fee proposal from Stogner Architecture for the on-site visit and the feasibility estimates for the 1000 Carthage Street building. Before any decision is to be made regarding how we move forward with a renovation of that facility, we first must complete a feasibility study to determine the scope of renovation work that must be done to bring that building back on-line. The proposed fee for this study is \$6,850.00.



STOGNER ARCHITECTURE

ARCHITECTURE - CONSTRUCTION MANAGEMENT - DESIGN BUILD

July 15, 2024

Mr. Marcus D. Goodson
Interim Executive Director
Sanford Housing Authority
317 Chatham Street
Sanford, NC 27330
(919) 776-7655 Ext. 4246
mgoodson@sha-nc.org

**RE: ADMINISTRATIVE OFFICE BUILDING RENOVATION COST ESTIMATE
COMM. # 6197**

Marcus –

Stogner Architecture, PA will:

- Perform an on-site visit and walk thru to assess the existing condition of the building to develop a preliminary scope of work for estimating services;
- Prepare A building systems summary estimate for the existing building renovation;
- Prepare A budget replacement cost estimate for the building;

FIXED FEE: \$6,850.00

If you find this proposal acceptable, please let me know at your earliest convenience so that we can schedule the work and prepare a delivery order for execution.

Regards,

Fredrick J. Ford, Associate AIA, LEED AP
Senior Project Manager
Stogner Architecture, PA