



Minutes of November 28, 2018

A SPECIAL MEETING of the Ferndale Housing Commission was held at 7:30 am in the Community Room at 500 E Nine Mile Road.

A. Roll Call

Present: Jennifer Bentley, Donnie Johnson, Deanna Tartaglia, and Heather Van Poucker
Absent: Davis and Sutherland (excused)

B. Approval of Agenda

Motion by Commissioner Johnson, seconded by Tartaglia, be it resolved to approve the Agenda as presented.

Ayes: All

Nays: None

Motion Passed.

C. Executive Director's Report

i. Analysis of Co-Developer RFQs

The Executive Director provided an overview of what a typical legal structure for a LIHTC-financed project involves, and reviewed a comparative analysis of the two potential development partners. She presented the difference between a "turn key" deal and a partnership arrangement, then contrasted the proposed partnership features each proposal contained. Information on fee splits, cash-flow, guarantees, financing options, predevelopment costs, property management, RAD experience, and ownership stake were all discussed in-depth.

Extensive discussion was had about the ownership structure, with special note made that the non-profit developer returns a significant percentage of their fees to supportive services for the development. They are seeking a more substantial stake in the partnership arrangement. They usually own and operate the properties they develop.

ii. Special legal counsel for RAD Co-Developer Agreement

The Executive Director reported that she had contacted Rochelle Lento of Dykema Gossett to handle negotiating terms and reviewing agreements and contracts related to partnering with Brinshore. Ms. Lento has worked extensively in this field, and was recommended by another well-regarded and highly-trusted Executive Director at a large housing authority that has completed several RAD conversions using Ms. Lento as legal representative.

- D. **New Business**
 - i. **Approval of Co-Developer for RAD Conversion**

Commissioner Tartaglia presented the benefits of working with a non-profit and the advantages of a long-term commitment with them, which would include supportive services that are dear to her. However, the ownership stake could be problematic. We are committed to owning and operating this property locally.

Commissioner Johnson noted the significant different in fee splits and that with the additional fees FHC received, we could similarly dedicate a certain percentage to supportive services and our residents' priorities however we would have more autonomy and flexibility.

Commissioner Bentley noted that non-profit developer had a dream team assembled to work on the project, however our direct contact and primary point person was not directly experienced with RAD conversions so we may not have direct and easy access to the dream team. The other developer offers a direct contact that is extremely experienced with RAD conversions and will be there every step.

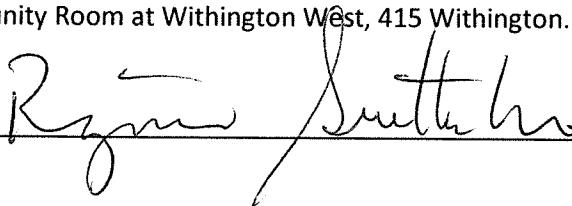
Motion by Commissioner Johnson, seconded by Tartaglia, be it resolved to approve selection of Brinshore as Co-Development Partner.

Ayes: All
Nays: None
Motion Passed.

- E. **Old Business (None)**
- F. Open Call/Call to Audience: None
- G. Call to Commission: None
- H. Adjournment.

There being no further business, the meeting adjourned at 8:08 am.

The next REGULAR MEETING of the board is scheduled for Wednesday, December 12, 2018, at 5:00 p.m. in the Community Room at Withington West, 415 Withington.

SIGNED:  DATE: 12-12-2018