

FHA DEVELOPMENT, INC.  
Regular Meeting Minutes  
Thursday, June 10<sup>th</sup>, 2021, 6 pm  
Via Zoom

**I. Call to Order**

The regular meeting of the FHA Development Board of Directors was called to order at 6 pm on Thursday, June 10<sup>th</sup>, 2021.

**II. Roll Call**

Director Bensinger requested that her intent to resign be added to the agenda as per her email to the Board Chair. There was discussion as to whether or not her resignation was effectively at the start of the meeting or was intended for during the meeting. Point of order to discuss questions about the agenda during the agenda review.

Directors Breashears, Jones, Terry, and Bensinger were present. Additionally in attendance: Interim Deputy Director Dempsey, Executive Director Berry, members of the public, members of the FHA Staff, Thomas Harris, and Lou Barrale.

**III. Review and Approval of Agenda**

There was a request to officially add under Old Business allowing the previous board member resignation to be noted in the file. The request was approved.

**IV. Public Comment**

The expectations of public comments was reiterated before being opened.

Kristen Bensinger read her letter of resignation.

Kyle Smith commented on civil discourse, parliamentary procedure, and board behavior.

**V. Old Business**

**A. Approval of previous meeting minutes: May 13, May 26**

A motion was made to approve the meeting minutes with corrections. The motion was seconded and passed unanimously.

**B. General Announcements**

Director Bensinger has resigned.

The Washington County Emergency Rental Assistance Program applications are open.

The Arkansas Home Choice program and ADSA received a stimulus, which opens up for opportunities to work with them.

**C. Board Chair Update**

Chair Terry reviewed the reasoning behind the forensic audit for the organization, and went over her meeting with the auditor Thursday morning. Lou Barrale discussed his next steps in gathering documents and rough timeline.

Chair Terry reported that they are on the final step of accessing the funds from the Simmons Bank line of credit. There was discussion about how much money will be owed between FHA Development and FHA after the line of credit is used.

Thomas Harris from Cardinal Capital gave a brief update on the Hillcrest II project. There was discussion about what financial documents he might need access to. There was a request to check in with the FHA Board of Commissioners with the project at the next meeting.

## VI. New Business

### A. Resolution 39: Resolution authorizing Chair Terry to provide access to the FHAD Board shared drive & Interim Director Berry and Staff to provide the audibr access to requested documents, with FHAD Board Directors copied on all requests.

The motion was made to approve Resolution # 39, seconded, and approved unanimously.

### B. Washington County Emergency Rental Assistance

Interim Deputy Director Dempsey reviewed the current status of the ERA program through FHA. There was discussion as to how much money FHA Development received through the ERA program for all eligible residents and the impact on the arrears.

There was discussion as to making the Washington County ERA program accessible to the FHA Development residents. There was a question about working with Housing Choice Voucher clients.

There was a request for a copy of the informational handout created by FHA staff regarding the new ERA program.

### C. Scattered site properties updates

Chair Terry went over the property plan developed September 2020. She went over a timeline of events for all properties, with a final recommendation of selling all the properties and focusing on the Hillcrest Towers II project. She offered to reach out to realtors for a market based real estate analysis of the properties.

Director of Housing Butler reviewed the progression on the planned deadlines at all properties, as well as the current stages of renovations.

Sarah Marsh spoke as a professional real estate analyst about the 12<sup>th</sup> street property and ways to potentially sell it.

Member of the public Kyle Smith asked about Café Rue Orleans.

There was discussion about how quickly to proceed with selling all the properties.

There was a motion to put Red Bud Gardens, Magnolia Court, and Northgate on the market. The motion was seconded, and opened for public comments.

Director of Housing Butler asked about selling as is vs cost of renovation.

Mr. Smith expressed his surprise as the speed of the decision to sell the remaining properties.

Sarah Marsh spoke about selling the properties as is and gave examples of such sales in the city.

Interim Deputy Director Dempsey requested time to consult with HUD and/or additional realty companies with commercial property experience for more information. There was

discussion from the board surrounding the decision to put the properties on the market immediately.

A vote was called for the previously seconded motion, and the motion passed unanimously.

**D. Choice Neighborhood Planning Grant**

Chair Terry reviewed a funding opportunity from HUD and how it could be applied to the FHA Development.

Director of Housing Butler requested direction on moving forward with the West End property regarding the renovations requested. The Board will defer to Attorney Crouch regarding the renovations. There was discussion about the agreement obligation and records of the units before purchase.

**VII. Adjournment**

The meeting was adjourned at 8:52 pm.