



REAL ESTATE COMMITTEE MEETING

Mark Gibbs, Treasurer
John J. Schupp, Director
Grif Chalfant, Director
Brian Strack, Director
Pete Bilson, Director

Tuesday, August 11, 2009

Business Meeting

City Hall, 2nd Floor Conf. Rm.

Present: Grif Chalfant, John Schupp, Brian Strack, Mark Gibbs, Peter Bilson

Also Present:

Ron Francis, MRC Chairman
Reggie Taylor, Executive Director
Teresa Sabree, Redevelopment Project Manager
Duncan McNeel, McNeel Building Systems
Larry Wills, Citizen

CALL TO ORDER:

Reggie Taylor called the meeting to order at 6:05 p.m.

NEW BUSINESS:

-Property Report from McNeel Builders

Duncan McNeel presented estimates for renovation of 89/91 and 193/195 Hedges Street. While Directors reviewed the estimates, McNeel reported on everyday management activities including rent collection and lawn care. Tenants have begun to mow lawns at their residences in an effort to reduce MRC maintenance cost. McNeel outlined the process and timeline for renovation and explained that a McNeel Builder employee performs the majority of renovation work with the exception of electrical, plumbing and HVAC. Discussion followed regarding the pace of completing the renovation with the sole McNeel employee versus hiring additional contractors to speed up the process. Directors also inquired about progress on leasing the units once completed.

McNeel will attend the September MRC meeting to make a report to the full Board of Directors. As a follow up to McNeel's report, Reggie Taylor reported to the Board on the completion of demolition of 5 properties on Hedges Street and West Dixie Avenue. Discussion followed regarding repair of additional units and housing market activity.

Directors focused their discussion on the repair of units outside of the MRC identified 10-acre Hedges development site and discussed options for property renovation or redevelopment. Taylor expressed concern about major repairs needed and inability to recoup cost through lease or sale on some properties.

The Real Estate Committee requested comparable sales data for further consideration. Discussion followed regarding changes in market conditions and prices of properties in redevelopment areas. Director Strack suggested that prices have likely changed quarterly. Staff will obtain the comps.

Directors reviewed the current MRC property condition map. Discussion followed regarding the reuse of property outside of the pod. Reuse strategies could include selling property to Cobb Housing, Inc. as well as rehabilitation or replacement with market rate housing. Staff will talk to the building inspector. Discussion followed regarding buyer demand and marketing real estate and the MRC as a corporation..

-Officer Selection

After discussion Directors elected Jonh Schupp as Committee Chairperson.

Action: Director Gibbs moved and Director Strack seconded a motion to nominate John Schupp as Chairman of the MRC Real Estate Committee. The motion was approved unanimously.

--Update on Property Purchase

Reggie Taylor reported that an owner that previously offered to sell property on West Dixie Avenue contacted him to see if the MRC was still interested in purchase. The owner said that he would contact the MRC again at a later date. Discussion followed regarding the location and characteristics of the property. Real Estate Committee members again discussed the need to obtain recent comparable sales to estimate today's market value of the property.

Additional discussion was held regarding overall management and condition of MRC owned property and development activity..

The meeting was adjourned at 7:19 p.m.