



The Housing Authority of the City of Asheville (“HACA”) met virtually on Thursday, March 5, 2026. This was a Special Meeting.

There was not a closed session.

Commissioners Present: Chairman Mychal Bacoate, Vice Chair Kimberly Collins, Commissioner Sean Aardema, Commissioner Scott Farkas, Commissioner Carol Goins, Commissioner David L. Robinson Sr., Commissioner Maggie Slocumb, and Commissioner Kidada Wynn

Commissioners Absent: Commissioner Laura Sotelo-Garcia

A quorum was present.

Others Present: Ella Santos, *President & CEO*; Marvin Jean Jacques, *Chief Operating Officer*; Sheri Guyton, *Director of Property Management: APA, BA, ALT, SS*; Noele Tackett, *Director of HCVP*; Alex Ruiz, *Assistant Director of HCVP*; Cherin Marmon-Saxe, *Executive Assistant to the President & CEO*; and Cindy M. Rice, Roberts & Stevens, P.A., *Legal Counsel*

Guests: Kristen Kirby, McGuire Woods, *Bond Counsel*

Call to Order: The Chair called the meeting to order at 1:02 p.m. and began the meeting by reading the Mission and Core Values of HACA.

Commissioner Roll Call: The Chair called the roll to determine all Commissioners in attendance.

Approval of Agenda. Commissioner Farkas made a Motion to approve the Agenda for the March 5, 2026 Special Meeting. The Motion was seconded by Commissioner Aardema. The Chair took a roll call vote and the Motion carried unanimously (7-0).

Commissioner Goins joined the meeting at approximately 1:05 p.m.

Consent Agenda: None.

Presentation – Resolution 2026-02: Inducement for Apex on Hazel Mill

By Kristen Kirby, McGuire Woods, *Bond Counsel*

Ms. Kirby presented the Resolution for a new construction affordable housing development known as Apex on Hazel Mill. She indicated the project would be an 89-unit development offering a mix of 1, 2 and 3 bedroom units to families earning 30-70% of the median family income. Ms. Kirby identified the developer as Blue Ridge Cascade. Ms. Kirby then reminded the Board that the proposed Resolution was a preliminary step in the bond issuance process signaling HACA’s

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willingness to be the issuer of the bonds, if the project is approved through the North Carolina Housing Finance Agency (NCHFA). She also explained that the Resolution was a necessary part of developer's application to NCHFA. Ms. Kirby specified that the developer was anticipating seeking tax exempt bonds of up to \$9 million dollars. Finally, Ms. Kirby advised the Board that it would later have the opportunity to approve the actual issuance of the bonds and the bond documents (if the project is approved by NCHFA and moves forward). A question was asked about the developer fee paid to HACA, and Ms. Kirby explained that HACA typically receives 1.25% of the actual bond amount.

There were no additional questions or further discussion.

Commissioner Aardema made a Motion to approve Resolution 2025-02: Inducement for Apex on Hazel Mill. The Motion was seconded by Commissioner Wynn. The Chair took a roll call vote and the Motion carried unanimously (8-0).

Presentation – Bond for Financial Officer- LGC-203.

By Ella Santos, *President & CEO*

Ms. Santos turned the matter over to Cindy Rice, *Legal Counsel*. Ms. Rice explained that HACA had a statutory obligation to ensure that a performance bond was secured, in accordance with NCGS Section 159-29, each time a new Finance Director was appointed, and that HACA now needed to secure a performance bond for Interim Finance Director, Ryan McClung. Ms. Rice explained that the performance bond had to be in an amount equal to the greater of \$50,000 or 10% of the organization's annually budgeted funds, up to a cap of \$1 million dollars. However, the Board could authorize the purchase of a bond for a larger amount. She clarified that the Board could either choose the statutory amount for the bond or the Board could choose a higher amount of the bond, but the Board could not decrease the amount of the bond below the statutory requirement.

Commissioner Collins inquired about the dollar amount of the bond that HACA would need if they met the statutory minimum, and Ms. Rice confirmed that based on HACA's budget it would be a bond of \$1 million dollars (the statutory cap).

There were no additional questions or further discussion.

Commissioner Goins made a Motion to approve the statutory bond amount of \$1,000,000 (the statutory cap). The Motion was seconded by Commissioner Farkas. The Chair took a roll call vote and the Motion carried unanimously (8-0).

Presentation – MOU Boys & Girls Club Asheville Region

By Marvin Jean-Jaques, *Chief Operating Officer*

Mr. Jean-Jaques explained that HACA administration was working hard to “right the financial ship” and reminded the Board that for the first time in years a budget was presented that was balanced and would not require the use of cash reserves. Mr. Jean-Jaques then explained that administration had planned to present a partnership opportunity whereby a community

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organization would absorb the costs of the current afterschool program that began during Covid. He then indicated that, unfortunately, the community partner had backed out of the MOU that was to come before the Board. Mr. Jean-Jaques explained that it had been understood that the afterschool program was supported by grant funding, but in actuality the costs had exceeded the grant funding provided, such that maintaining the program had required the use of HACA operational reserves. Mr. Jean-Jaques advised the Board that HACA was doing their best to ensure that the program could be sustained through end of the school year, but that it would have an impact on HACA's budget. He indicated that HACA administration would continue to work with community partners to see if another organization could take on the programming for the summer and thereafter the school year. He added that he had a good conversation with Asheville City Schools in that regard.

Commissioner Farkas asked how many staff HACA would lose if the afterschool program ended. Mr. Jean-Jaques explained that 14 or so FTEs were directly tied to the afterschool program, along with some 1099 independent contractors. He also stated that there were several other staff members who worked for the afterschool program (mostly in an administrative capacity) while also working for other HACA programs. He acknowledged that administration was still figuring it out, but that upwards of 24 employees could potentially be impacted.

There were no additional questions or further discussion.

Remarks from the President & CEO:

By Ella Santos, *President & CEO*

Ms. Santos briefly updated the Board on national HUD funding issues and advised the Board that HACA administration is closely monitoring finances to be prepared to cover any HUD shortfalls. She forecasted the need for housing authorities like HACA to potentially pause vouchers, not reissue vouchers, or use cash reserves to stabilize programming. She also reported that HACA administration would be discussing this issue with the Board in greater detail at the next Board meeting, including the possibility of some organizational changes to support the long-term sustainability of HACA.

Additional Business: None.

Commissioner Collins made a Motion to adjourn. Commissioner Goins seconded the Motion. The Chair took a roll call vote and the Motion carried unanimously (8-0).

Meeting Adjourned: Approximately 1:24 pm.



03/05/2026 Special Board meeting Minutes Respectfully Submitted by:

Cindy M. Rice, Legal Counsel to the HACA Board

APPROVED:

Mychal Bacoate, Board Chair

Date: _____

ATTEST:

Ella Santos, Secretary

Date: _____