

**THE AFFORDABLE HOUSING LOAN COMMITTEE**

**Meeting Minutes**

**Wednesday, April 8, 2015  
Greenville, North Carolina**

**Present:**

- |   |   |  |
|---|---|--|
| <input type="checkbox"/> Howard Conner          | <input checked="" type="checkbox"/> Melinda Dixon | <input checked="" type="checkbox"/> Thomas Hines |
| <input checked="" type="checkbox"/> Kevin Fuell | <input type="checkbox"/> Melissa Grimes           | <input checked="" type="checkbox"/> Walt Kitchin |
| <input checked="" type="checkbox"/> Matt Smith  | <input checked="" type="checkbox"/> Sarah Smith   |  |

**Absent:**

- |   |   |                                       |
|---|---|---------------------------------------|
| <input checked="" type="checkbox"/> Howard Conner | <input type="checkbox"/> Melinda Dixon  | <input type="checkbox"/> Thomas Hines |
| <input type="checkbox"/> Kevin Fuell              | <input type="checkbox"/> Melissa Grimes | <input type="checkbox"/> Walt Kitchin |
| <input type="checkbox"/> Matt Smith               | <input type="checkbox"/> Sarah Smith    |                                       |

**Staff:**

- |   |  |
|---|--|
| <input type="checkbox"/> Merrill Flood            | <input checked="" type="checkbox"/> Sylvia Brown                 |
| <input checked="" type="checkbox"/> Niki Jones    | <input checked="" type="checkbox"/> Christine Wallace            |
| <input checked="" type="checkbox"/> Gloria Kesler | <input type="checkbox"/> Marion Blackburn (City Council Liaison) |

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**A. Roll Call**

**B. Approval of Agenda**

Motion was made by Mr. Smith and seconded by Ms. Dixon to approve the agenda as presented. Motion carried unanimously.

Mr. Kitchin asked if there were any minutes from the previous meeting. Mrs. Brown mentioned that staff was still in the process of editing and creating the minutes and they will be available at the next meeting.

**C. Old Business**

None

**D. New Business**

**1. Subrecipient Funding Update (2013-2014)**

- a. Boys and Girls Clubs of the Coastal Plain (AKA Pitt County)  
Funded: \$22,280.00  
Reimbursed: \$18,077.65  
Unexpended Balance: \$4,202.35  
Reimbursement Pending: \$3,173.90

Once the pending reimbursement is processed, their unexpended balance will be \$1,028.45. The total reimbursed will be \$21,251.55 which is 95% of the amount they were funded.

- b. Center for Family Violence Prevention  
Funded: \$27,645.00  
Reimbursed: \$22,495.00 (81%)  
Unexpended Balance: \$5,150.00
  
- c. ECU/Lucille W. Gorham Intergenerational Community Center  
Funded: \$15,000.00  
Reimbursed: \$13,141.60 (87%)  
Unexpended Balance: \$1,858.40

Mrs. Brown stated that the Center for Family Violence Prevention and the ECU/Lucille W. Gorham Intergenerational Community Center are expected to close out at those balances. There are no other reimbursements pending for them.

- d. Literacy Volunteers of America Pitt County  
Funded: \$10,075.00  
Reimbursed: \$5,083.00  
Unexpended Balance: \$4,992.00

Mrs. Brown mentioned that there are currently two (2) reimbursements pending. The total amount pending is \$4,275.00. If the total amount is reimbursed that would leave \$717.00. Therefore, they would get around 99% of their total funding if the pending reimbursements are fully made.

Mrs. Brown asked if anyone had any questions and there were none.

## **2. Subrecipient Funding Recommendations (2015-2016)**

Mrs. Brown stated that the totals being requested from the Boys & Girls Clubs of the Coastal Plain is \$40,000, the Center for Family Violence Prevention is \$27,200, Literacy Volunteers of America Pitt County is \$17,250.00, and, ECU/Lucille W. Gorham Intergenerational Community Center is \$15,000 for a total of \$99,450.00 and \$100,000 available.

Mrs. Brown stated that representatives are present to answer questions. Mrs. Brown also mentioned that the purpose of the meeting was to make final recommendations that will go to City Council and Mr. Jones was going to give that presentation. Today the committee will decide what you feel is appropriate to recommend to Council for each agency to be funded.

For the Boys and Girls Club, Mrs. Stephanie Reynolds was present to answer questions.

Mrs. Moseley handed out forms.

Mrs. Brown asked if everyone has been through the process at least once before and some committee members said no.

Mrs. Brown mentioned that staff has given the committee some information about each agency and how they intend to expend the funds and presentations were given.

The Boys and Girls Clubs of the Coastal Plains was the first agency to be reviewed. Mrs. Brown explained to the committee that the area that states “agency response” is blank. When the committee received their documents two-three months ago the agencies had responded to each criteria and to each question and hopefully the committee reviewed the information that was given to them. However, the committee was advised at this meeting how to score each agency. Each agency for number 1 “need for the service” are all public services and the maximum score you can give for number 1 is 20 points. Not the 25 or the 30.

Mrs. Brown asked Mr. Kitchin if he would like for her to go through each one and give the committee a minute or two of silence to complete each one.

Mr. Kitchin responded that it would be best and less confusing.

Mrs. Brown stated that she will proceed by going through each agency following each criteria giving the committee a few minutes of silence to get everything scored within that agency. She advised the committee to pass each completed form to Ms. Moseley and Ms. Wallace for adding up the scores and then complete the form for the next agency.

Mrs. Brown stated that the next agency is the Center for Family Violence Prevention and Ms. Catonia Pitt is present to answer any questions that the committee might have about their application and the services they plan to provide.

Mrs. Brown stated the next agency is Literacy Volunteers of America Pitt County and this agency currently does not have a representative. However, if the committee has any questions, Mrs. Brown would answer any questions to the best of her knowledge.

Mrs. Brown stated that the final form is the ECU/ Lucille W. Gorham Intergenerational Community Center and this agency currently does not have a representative. However, if the committee has any questions, Mrs. Brown would answer any questions to the best of her knowledge.

Mrs. Brown proceeded to staff recommendation and informed the committee that staff is recommending that each agency be funded for the requested amount.

Mrs. Brown clarified that the purpose of the scoring is so the committee can see how the agencies stack up and that some agencies or their programs may be more viable and that each run important programs; therefore, they always like to try to give each agency some funding because staff believe that all programs are important. Also, because this year things are a different way the committee might view the scoring differently but they still have to go through that process. In the past, that has been the purpose of the scoring so the committee can measure each agency and see how viable their program is and how important one may need more funding than others and so this is another way to compare them and get the importance of their programs. Therefore, staff is recommending that each organization be funded at their requested amounts.

While staff was gathering totals for each agency, Mrs. Brown thanked all of the committee members that came out for the CDBG Opening Ceremony and that the

ceremony went well. She also stated that staff appreciated Mr. Kitchin for his comments and leadership with the committee. Also thanked Mr. Hines and Mrs. Dixon for attending the event and thanked staff for all of their work and taking time to come out and provide services to the citizens of Greenville and this community. Mrs. Brown elaborated on looking forward to many more years of doing great things with the committee that has a few more years to serve on the board and that staff tries hard to deliver as much detail information as possible so that the committee can make the best decisions as far as the programs are concerned.

Mr. Kitchin commented by saying staff does that well.

Mrs. Brown thanked Ms. Pitt and Ms. Reynolds for coming out and representing their organization. She stated that they always try to have someone come out to represent each organization to answer questions.

Mrs. Brown mentioned that this week is National Community Development Week and on Saturday morning, staff will be working with Rebuilding Together for their National Rebuilding Day. Also on Saturday is the Homeownership Workshop from 8:00 a.m. – 4:30 p.m. Citizens can register for this workshop by calling Gloria Kesler at 329-4226. The Intergenerational Community Center will be hosting their IGCC Day also on Saturday from 10:00 a.m. – 3:00 p.m. at 1100 Ward Street. Mrs. Brown mentioned that they will have games and food provided and encouraged the committee and the community to attend. Staff will be present at all three events on Saturday.

Mrs. Brown proceeded with the scoring and mentioned that the committee can see that all of the agencies are all in the same range. The AHLC Scoring (2015-2016) was placed on the screen for viewing.

Mrs. Brown mentioned to the committee that at this current time they can discuss the scoring, motion, and, decide on funding.

Mr. Kitchin asked that if he hears a motion that the committee funds the agencies with the accordance of the staffs recommendations which is fully fund each one from the monies that are available.

Mrs. Brown clarified by stating yes for the amount each agency has requested.

Mr. Kitchin asked the committee if they have a motion. A motion was made by Mr. Smith and seconded by Ms. Smith. No discussion. Motion carried unanimously.

Mrs. Brown informed the committee that staff will take the recommendation to City Council and allow them to review it. Their decision will be sent to HUD as part of our Annual Action Plan.

Mr. Kitchin asked Mrs. Brown when will the City Council consider the recommendation.

Mrs. Brown informed the committee that the Council will consider the recommendation the following day which is the next City Council meeting.

### 3. Set Just Compensation

#### a. 600 Vance Street

Mrs. Kesler informed the committee that the property located at 600 Vance Street has become available through a HUD sale. Mrs. Kesler showed a map of 600 Vance Street on the projection screen. Mrs. Kesler informed the committee that this location is a HUD foreclosure sale. The tax value of the property is \$31,204.00 but HUD actually sets the sales price based on their foreclosure amount and their sales price has been listed at \$21,000 and the property is located near the Perkins Town and Cherry View Historic District. And, just as the property at 602 Vance Street; they would be considered for rehabilitation and sold to a qualified buyer. There is a process that is a little different that we would have to go through with the purchase, so today with setting that sales price would move staff forward to be able to go through and request a contract. Staff recommendation today would be to set just compensation of the property at \$21,000. A picture of the property was shown. Mrs. Kesler asked if anyone had any questions.

Mr. Kitchin asked what is the general condition inside the house?

Mrs. Kesler responded by stating that staff has not had the opportunity to get in and can possibly get the keys to the house by Tuesday or Wednesday of next week from the Realtor. Mrs. Kesler continued to point out that this is the starting point because she needed to have just compensation before she could even start with the purchase.

Mr. Kitchin asked Mrs. Kesler if she knew how long it has been since someone has occupied the home.

Mrs. Kesler replied that it has been over a year since someone has lived in the home. However, she had approached the family around the same time staff was looking at 602 Vance Street house and the family did not respond to the interest letter. Also when she drove by the house one day she noticed that the home was boarded up like they do a HUD property. She made contact, the foreclosure was complete and everything was recorded at the court house and ready to go.

Mr. Hines asked if HUD would consider anything lesser than a full price offer.

Mrs. Kesler informed the committee that they could send it in with a lesser price but this is the price they would have to have and if they are looking at the tax value of the property is \$31,204.00 it is well below even the tax value and it would be a good addition if it is a property that we can rehab.

Mr. Hines asked how recent is the tax value?

Mrs. Kesler informed Mr. Hines that this is the most current tax value which was the revaluation in 2012. However, they are up for a revaluation next year so they will see property changes. Mrs. Kesler also mentioned that she would not be able to give any updated tax information until the next revaluation.

Mr. Fuell asked how much does staff think it would cost to renovate the home.

Mr. Kesler stated that at this time until they get into the home it's hard to say but the keys are supposed to be available next week.

Mr. Fuell asked if Mrs. Kesler had any idea of what the market values are of the properties it's surrounding.

Mr. Jones answered by mentioning that with some of the recent comps that staff has heard about in the neighborhood.

Mrs. Kesler elaborated by mentioning that the only property that has sold that is anywhere near this is a rental property that was probably the next block and a half down on Vance. It might have been a little further than that but it sold for \$28,000.

Mr. Jones asked Mrs. Kesler about the house on Hudson and Mrs. Kesler replied by stating that they had a new construction on Hudson that sold in 2012 and was sold for \$87,000.

Mr. Fuell asked if the house on Hudson was similar to this particular property.

Mrs. Kesler responded by stating that the house on Hudson was a new construction and was the project with Pitt Community College.

Mr. Jones elaborated by mentioning that in this area new construction will not be an option for us. We have recently gone to the Historic Preservation Commission and has talked with the Affordable Housing Loan Committee about what we do and so what staff is trying to do now is trying to be good stewards of the neighborhood and insure that we keep historic character of the neighborhood. The home next to it is an historic property and staff understands that these properties are historic in nature and that staff will have to put a significant amount of money into them. Staff understands that they will have to completely restore these homes if we want to sell them. Therefore, these homes would need new roofs, be made energy efficient and luckily this is not like the College View neighborhood; we can change windows here. They do have to look historic but we can change them. Staff would have to keep a tin roof on the homes.

Mr. Jones elaborated that a significant amount of money would go into these homes, around \$70,000 per home and that does not include the price of purchase. However, what staff is doing is a neighborhood watch strategy to not only provide affordable housing but to keep the historic character of the neighborhood. That is something that staff is hearing from the community.

Mr. Jones added that he attended an Annual Action Plan Public Meeting and community members were very concerned about the amount of homes that the City was tearing down. Mr. Jones stated that he replied to the community members by stating that the City does not want to tear down the homes; however, they are just beyond repair and staff does not feel like this home is beyond repair; however, if it sits out there for three or four more years it certainly will be beyond repair and therefore that historic property goes away. Therefore, if the City has an opportunity to buy a property, rehab it, and sell it, we think it's in our

responsibility to do so; in addition, Douglas Avenue is right there. The City has invested a significant amount of money on Douglas Avenue with nine (9) new homes recently, 901 is the most recent one. Those homes are literally a stone throw away so it's in our best interest as well to rehab those homes and make sure there are home owners in them.

Mr. Fuell asked if the City is looking to break even or if it's going to be at a lost?

Mr. Jones replied by stating that the staff certainly is not in the business of making money neither in the business of losing money. Therefore, if we can break even that would be fine and if we lose a little bit we are okay with that.

Mr. Smith asked if the City had \$91,000 in it and someone came up and said we'll give you \$80,000 for it. How likely are we to jump on an offer like that? I understand the City not wanting to make money and breaking even is likely the most ideal situation.

Mrs. Kesler replied by stating that there is one thing that can happen in this situation in that the City can offer down payment assistance. The City has a 20% home grant that can buy down the cost of that property by that 20% and that really is the bridge that brings it from what we've invested so to speak and what we sell it for.

Mr. Jones added that for \$80,000 if we got offered that accentually that would be a \$100,000 sales price. So as Mrs. Kesler said one of the tools we have in our tool box is that we have the down payment assistance program that's how we are not able to necessarily lose every time. If we do lose it would be minimal.

The committee was asked by Mrs. Kesler if they have any more questions and no committee member had a question.

Mr. Kitchin asked the committee do he hear a motion to set just compensation for this property at \$21,000.

A motion was made by Mr. Hines and seconded by Ms. Dixon. Motion carried unanimously.

## **E. Staff Report**

Ms. Brown gave the following event reminders and invitations:

National Community Development Week  
National Rebuilding Day  
Saturday, April 11, 2015  
7:30 a.m. – 5:00 p.m.  
Third Street Community Center  
600 West 3<sup>rd</sup> Street

Homeownership Education Workshop  
Saturday, April 11, 2015  
8:30 a.m. – 4:30 p.m.

United Way of Pitt County, Cupola Building  
226 West 8<sup>th</sup> Street  
Gloria Kesler, 252-329-4226

Lucille W. Gorham Intergenerational Community Center  
IGCC Day  
Saturday, April 11  
10:00 a.m. – 3:00 p.m.  
1100 Ward Street

2015 Financial Literacy Series  
Sheppard Memorial Library (Room B)  
Monday, April 20th – Check It Out (Part 2)  
5:30 – 7:30 PM  
Sylvia Brown, 252-329-4509

**F. Other**

None

**G. Adjournment**

Motion was made by Mr. Fuell and seconded by Ms. Dixon to adjourn the AHLC meeting.  
Motion carried unanimously.

Signature on file

Walt Kitchin, Chairman

Signature on file

Sylvia D. Brown, Staff Liaison