

THE AFFORDABLE HOUSING LOAN COMMITTEE MEETING

Minutes

Wednesday, March 9, 2011
Greenville, North Carolina

Present:

Alice Brewington
 Howard Conner
 John Martin

Karalee Coughlin
 Lovella Perkins
 Melissa Grimes

R. J. Hemby
 Sterling Reid

Absent:

Alice Brewington
 Howard Conner
 John Martin

Karalee Coughlin
 Lovella Perkins
 Melissa Grimes

R. J. Hemby
 Sterling Reid

Staff:

Merrill Flood
 Sandra Anderson
 Gloria Kesler

Karen Gilkey
 Sylvia Brown
 Betty Moseley

Thom Moton
 Kandie Smith (City Council Liaison)

A. Roll Call

Mr. R.J. Hemby stated that a letter has been received from the Little Willie Center requesting an apology from one of the committee members due to unprofessional conduct.

Mr. Howard Conner stated that he had read the letter. He also stated that he had asked the same questions for all groups. Mr. Conner indicated that his position on the AHLC is a volunteer position which is authorized to make recommendations only to City Council. It was not his intention to single any one group out.

Ms. Brewington stated that Ms. Arrington asks for a public apology and her request should be honored.

Mr. Conner stated that the committee was welcome to make an apology and he will abide by the decision of the committee, however he will not make an apology.

Mr. Hemby stated that at no time do we single any group out. The committee sincerely apologizes to the Little Willie Center. It is the goal of the committee to be clear, concise and transparent. In addition, the committee will send the requested records.

B. Approval of meeting minutes from February 9, 2011

Motion was made by Mr. Conner and seconded by Ms. Melissa Grimes to approve the meeting minutes from February 9, 2011 as presented. Motion carried unanimously.

C. Approval of corrected meeting minutes from January 12, 2011

Ms. Betty Moseley stated that during the process of updating the attendance logs, it was noted that Mr. Conner had been check present, however he was actually absent. The minutes were corrected to reflect this change.

Motion was made by Ms. Alice Brewington and seconded by Ms. Grimes to approve the corrected meeting minutes from January 12, 2011. Motion carried unanimously.

D. Old Business

1. Election of Co-Chairman

Ms. Brewington nominated Ms. Melissa Grimes as Co-Chairman.

No other nominations were received.

Motion was made by Ms. Brewington and seconded by Mr. Conner to approve Ms. Melissa Grimes as Co-Chairman for the Affordable Housing Loan Committee. Motion carried unanimously.

2. Subrecipient Updates

Ms. Sylvia Brown presented the subrecipient updates.

Subrecipient	Loan Amount	Reimbursement	Remaining
Boys & Girls Club	\$11,000.00	\$3,155.79	\$7,844.21
North Carolina Rural Fund For Development	\$18,450.00	\$16,855.36	\$16,855.36
North Carolina Rural Fund For Development	\$5,800.00	\$1,985.94	\$3,814.06
L.I.F.E. of NC, STRIVE	\$20,000.00	\$4,245.12	\$15,754.88
L.I.F.E. of NC, STRIVE	\$20,345.00	\$0	\$20,345.00
Center for Family Violence Prevention	\$22,200.00	\$4,800.00	\$17,400.00
Center for Family Violence Prevention	\$6,000.00	\$0	\$6,000.00
Center for Family Violence Prevention	\$2,800.00	\$2,800.00	\$0
Building Hope Community Life Center	\$15,000.00	\$2,907.45	\$12,092.55
Building Hope Community Life Center	\$26,700.00	\$17,798.96	\$8,901.04
Operation Sunshine, Inc.	\$11,795.00	\$0	\$11,795.00
EXCEED, Inc.	\$5,000.00	\$0	\$5,000.00

Ms. Brown stated that staff recommends closure of the first grant for the North Carolina Rural Fund for Development due to logistics change.

Ms. Grimes asked why staff recommended closure.

Ms. Brown replied that the NCRFD will not be able to teach any additional workshops before May 18, 2011.

Ms. McKnight stated that the NCRFD had already scheduled the Homeownership Workshops prior to receiving the grant and will not be able to add any more workshops prior to the end of the contract. They request amending the contract to terminate that portion of the contract.

Ms. Anderson stated that the funds used were recaptured funds. Since they were old funds, extension of the contract is not possible. Many attendees are not interested in purchasing in Greenville. Therefore, they do not qualify for reimbursement. Most of the qualifying expenses are from doing one-on-one counseling or follow-up.

Ms. McKnight stated that residents are purchasing in Winterville and other surrounding areas therefore they do not qualify for reimbursement. She also stated that various methods of advertising were being used to reach the public.

Ms. Brewington asked if the money being recaptured would still be available for use.

Ms. Anderson replied that the money will transfer to housing a rehabilitation line item.

Ms. Grimes asked if the current timeframe for expending all funds was realistic for the nonprofits.

Ms. Brown replied yes.

3. Subrecipient Funding Request Recommendation

Mr. Hemby stated that there was a conflict of interest with the request from CTBOCD, Inc. and McCloud Computer & Skills Training Center.

Ms. Anderson stated that staff had reviewed the requests for funding and determined that four nonprofits are eligible for funding, three were ineligible and three have additional questions needing answers.

Ms. Anderson stated that that committee would need to make recommendations based on \$100,000.00.

Eligible Requests:

- Boys and Girls Club
- North Carolina Rural Fund for Development
- Center for Family Violence Prevention – Safe House
- Building Hope Community Life Center

Ineligible Requests:

- CTBOCD, Inc
- McCloud Computer & Skills Training Center
- Little Willie Center

Additional Questions:

- Center for Family Violence Prevention – Family Life Center
- L.I.F.E. of NC, STRIVE
- Literacy Volunteers of Pitt County

Ms. Grimes asked if staff could cover the questions needing answers.

Ms. Anderson replied that for CFVP – Family Life Center the lease is expiring, the budget was broad, activity items, curriculum and supplies needed more elaboration.

Ms. Anderson stated that the lease for Literacy Volunteers expires December 2011. Also, the labor cost is 78% of request.

Ms. Teresa Barfield stated that Literacy Volunteers plans to remain at the same location and has been able to negotiate the lease with the owner. Labor cost is for one full time person and one part time person. Supply costs are for computers, writing utensils, paper and things of that nature.

Ms. Brewington asked if the concerns were for the activities.

Ms. Anderson replied that the concern is about the high labor cost being 78% of the budget. Typically, the labor costs are about 10 – 15% of the budget.

Ms. Barfield stated that they would be willing to adjust the budget.

Mr. Conner asked if Literacy Volunteers would qualify after adjusting the budget.

Ms. Anderson replied yes.

Ms. Anderson stated that the concerns for L.I.F.E. of NC, STRIVE included an expired lease, budget request for computers, which were purchased last year, and the service area is unclear. In addition, training supplies for the youth and participants needs to be defined.

Ms. Joyce Jones stated that the lease agreement was an oversight and they do have a letter stating that the lease is in negotiation. STRIVE will be serving students, ages 11 – 17 years old, who are at risk of being suspended from public schools. The goal is to reduce gang activity and keep students in school. Students who are responding well to the program will be loaned a laptop computer for school work and projects. Funding would also cover cost students incur if going to work during the summer.

Mr. Reid asked for elaboration why students take home laptops.

Ms. Jones replied that many youth do not have computers at home. Students have projects and activities to complete for STRIVE and the public school system. A tracking device is installed on each laptop.

Ms. Grimes asked if students receive credit for attendance and credit for grade advancement.

Ms. Jones replied yes, attendance in program is in lieu of suspension. Students who finish the program and all school work may move forward to the next grade.

Ms. Brewington asked if the agency had satisfied questions.

Ms. Anderson replied that there will be additional questions concerning the equipment. Equipment must be recaptured at the end of program. Concerns about equipment usage during the summer programs verses the school year will need to be addressed.

Mr. Conner asked if the computers had been returned from previous funding years.

Ms. Anderson replied that typically, as long as the agencies were in the program, they were allowed to retain the equipment. Agencies are encouraged to lease equipment.

Ms. Grimes asked if staff would change the number of recommended agencies since hearing from the representatives.

Ms. Anderson replied that staff will still recommend four with three groups providing required documentation.

Mr. Hemby asked the committee to table CTBOCD, Inc. and McCloud Computer & Skills Training Center due to conflict of interest.

Motion was made by Mr. Conner and seconded by Ms. Grimes to table CTBOCD, Inc. and McCloud Computer & Skills Training Center due to conflict of interest. Motion carried unanimously.

Ms. Anderson stated that CTBOCD, Inc. and McCloud Computer & Skills Training Center are ineligible due to reasons not related to the conflict of interest. Staff will need a recommendation today concerning the committee's intent to fund the eligible agencies.

Motion was made by Mr. Conner and seconded by Mr. Reid to approve recommendation of funding for seven groups contingent on satisfying eligibility requirements and funding needed based on available funding. Motion carried unanimously.

E. New Business

1. Downpayment Assistance – 909 Douglas Avenue

Ms. Anderson stated that a downpayment assistance request for the 20% HOME Grant program has been received for 909 Douglas Avenue. The sells price is \$95,000.00. The grant requested is \$19,000.00, closing cost \$1,500.00 and \$500.00 for the completion of the homeownership academy.

Motion was made by Mr. Conner and seconded by Ms. Perkins to approve the downpayment assistance request for 909 Douglas Avenue. Motion carried unanimously.

2. Set Just Compensation

a. 419 Nash Street

Ms. Anderson stated that the owner of 419 Nash Street has waived their rights to an appraisal. The tax value is \$17,670.00. The city would like to obtain this property.

Motion was made by Mr. Conner and seconded by Ms. Brewington to set just compensation for 419 Nash Street at \$17,670.00. Motion carried unanimously.

b. 422 Cadillac Street

Ms. Anderson stated that the owner of 422 Cadillac Street has waived their rights to an appraisal. The tax value is \$13,890.00. The city would like to obtain this property.

Motion was made by Ms. Grimes and seconded by Ms. Brewington to set just compensation for 422 Cadillac Street at \$13,890.00. Motion carried unanimously.

c. 907 West 5th Street

Ms. Anderson stated that the owners of 907 West 5th street have requested an appraisal of the property. The appraised value is \$123,000.00. The city would like to obtain this property.

Mr. Conner asked why the appraised value was so high.

Ms. Anderson stated that tax value is \$80,103.00, however once the owner requests an appraisal, the city cannot return to the tax value to set just compensation. In this case, both the owner and the city had the property appraised and the review appraiser determined \$123,000.00 to be the value.

Mr. Conner asked if the Mosque was still on the property.

Ms. Anderson replied yes.

Motion was made by Mr. Conner and seconded by Ms. Perkins to set just compensation for 907 West 5th Street at \$123,000.00. Motion carried unanimously.

3. 2011 City Council Annual Report

Mr. Hemby stated that he had a letter from City Council advising him of the annual report presentation for the AHLC on April 11, 2011. He requested staff assistance with the report.

Ms. Anderson stated that a draft report will be forwarded to him via e-mail.

4. CDBG Week

Ms. Anderson stated that the CDBG Week events will take place the last week of April.

April 27 th	Opening Ceremony	Located at 408 Cadillac Street
April 28 th	Tour of Projects	Meet at City Hall
April 29 th	Program and Reception	Located at Jaycee Park, 2000 Cedar Lane

F. Housing Administrator's Report

Ms. Anderson stated that a draft of Annual Action Plan is currently available for review. The schedule for Citizen Participation is:

- First Public Hearing
- Nonprofit funding approval process
- Redevelopment Commission Review – March 1, 2011
- Continuum of Care Review – March 9, 2011
- Community Meeting at York Memorial – March 10, 2011 5:30 PM
- Affordable Housing Loan Committee Review – March 9, 2011
- Citizen Comment Period – March 14, 2011 – April 12, 2011
- Final Public Hearing/City Council approval – April 14, 2011
- Send to HUD for approval

Proposed changes include:

Deleted items:

- Deleting downpayment assistance: Staff will continue to use previous years funds for DPA
- Delete new construction: New construction will be funded through CHDO's

New items:

- Multifamily Rental Housing Assistance

- Economic Development – Small business incubator and job training
- Rental rehabilitation

Ms. Grimes asked how closely the program will be monitored and what restrictions were imposed.

Ms. Anderson replied that minimal housing deficiencies will be addressed. All work will be monitored by the Inspections Department.

Mr. Conner asked if the budget cuts taking place in Congress was going to have an impact on the monies awarded to the nonprofits.

Ms. Anderson replied yes. By statute, only 15% of the grant may be allotted for public services.

G. Other

Mr. Hemby asked about the progress of the lease purchase program.

Ms. Anderson replied that it was proceeding as discussed. City Council approved 1101 Douglas Avenue as the first lease purchase home. Priority is given to selling the homes as opposed to leasing them.

Mr. Hemby asked for clarification of the meeting time for the Community Meeting at York Memorial.

Ms. Anderson replied that the advertised time is March 10, 2011 at 5:30 PM.

H. Adjournment

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

Signature on file
R.J. Hemby, Chair

Signature on file
Sandra W. Anderson, Staff Liaison