

DRAFT OF MINUTES PROPOSED FOR ADOPTION
THE AFFORDABLE HOUSING LOAN COMMITTEE MEETING
Minutes
Wednesday, October 13, 2010
Greenville, North Carolina

Present:

- | | | |
|--|---|---|
| <input checked="" type="checkbox"/> Alice Brewington | <input checked="" type="checkbox"/> Lovella Perkins | <input checked="" type="checkbox"/> Melissa Grimes |
| <input type="checkbox"/> R. J. Hemby | <input checked="" type="checkbox"/> Latisha Harris | <input checked="" type="checkbox"/> Howard Conner (Alternate) |
| <input type="checkbox"/> Brian Becker | <input type="checkbox"/> Craig Rouse | <input type="checkbox"/> |

Absent:

- | | | |
|--|---|--|
| <input type="checkbox"/> Alice Brewington | <input type="checkbox"/> Lovella Perkins | <input type="checkbox"/> Melissa Grimes |
| <input checked="" type="checkbox"/> R. J. Hemby | <input type="checkbox"/> Latisha Harris | <input type="checkbox"/> Howard Conner (Alternate) |
| <input checked="" type="checkbox"/> Brian Becker | <input checked="" type="checkbox"/> Craig Rouse | <input type="checkbox"/> |

Staff:

- | | | |
|---|---|---|
| <input checked="" type="checkbox"/> Merrill Flood | <input type="checkbox"/> Karen Gilkey | <input type="checkbox"/> Thom Moton |
| <input checked="" type="checkbox"/> Sandra Anderson | <input checked="" type="checkbox"/> Sylvia Brown | <input checked="" type="checkbox"/> Kandie Smith (City Council Liaison) |
| <input type="checkbox"/> Gloria Kesler | <input checked="" type="checkbox"/> Betty Moseley | |

A. Roll Call

Approval of Amended Agenda

Motion was made by Mr. Howard Conner and seconded by Ms. Lovella Perkins to approve the amended agenda. Motion carried unanimously.

B. Approval of meeting minutes from September 8, 2010

Motion was made by Ms. Perkins and seconded by Mr. Conner to approve the September 8, 2010 meeting minutes as presented. Motion carries unanimously.

C. Old Business

1. West Greenville New Homes Sales Update

Ms. Sandra Anderson stated that three of the eight houses have been sold and are occupied. Those are 907 Douglas Avenue, 903 Douglas Avenue and 604 Ford Street. 414 Cadillac Street has a pending closing. Offers to purchase have been cancelled for 600 Ford Street and 605 Hudson Street.

Mr. Conner inquired about the procedure for cancelling the Offer to Purchase.

Ms. Anderson responded that the clients deposit is refunded and the sign in front of the house indicating "pending" is removed. In addition, the Metropolitan Housing & CDC contract will expire in October 2010. Responsibility to sell any of the five houses not under contract will return to the Housing Division.

Mr. Conner asked if the city will renew the contract.

Ms. Anderson stated that staff would not recommend renewal of the contract at this time. An extension has been granted until December 2010 to allow any pending contracts to close out.

Mr. Conner asked if Metropolitan Housing & CDC had exclusive deal.

Ms. Anderson replied that the contract was for a six month period.

Mr. Conner asked if anyone could bring a potential buyer to Housing.

Ms. Anderson replied any qualified nonprofit could submit a (buyer) package to Housing.

Ms. Brewington asked what happened to cause the contracts to be withdrawn.

Ms. Anderson replied the buyers did not adhere to regulations.

2. 2011 – 2012 CDBG Subrecipient Funding Update

Ms. Sylvia Brown informed the committee of the 2011 – 2012 CDBG Subrecipient Funding Workshop results. The workshop was held on September 29, 2010. Two sessions were offered; one at 12:00 – 2:00 PM and the other at 6:00 PM – 8:00 PM. Both workshops were held in the Sheppard Memorial Library Training Room A. Participants were notified via mass mailing, e-mails and advertisements in the local newspapers. Attendance this year was greater than last year's attendance. The noon session had the largest group.

Mr. Conner asked why one participant indicated that they were unsatisfied with the workshop.

Ms. Brown stated that the participant felt the pace of the workshop was too slow.

Mr. Conner asked why one participant stated that they would not attend the workshop again.

Ms. Brown stated that the participant was with the American Red Cross, and their reason was because their services were not eligible for our programs.

Ms. Brewington asked if all participants qualified to submit an application for funding.

Ms. Brown responded that each organization represented did qualify to submit applications. However, each application would be reviewed by staff to ensure that the organization met the program qualifications.

Mr. Conner expressed concern reviewing the documentation in one meeting should staff receive 55 applications.

Ms. Brown stated that some organizations had multiple attendees. Approximately 30 to 40 different organizations were represented.

1. Set Just Compensation

a. 421 Nash Street

Ms. Anderson stated that the city currently owns three of the four parcels on Nash Street. The city plans to recombine the lots. 421 Nash Street is owned by Pitt County Government. They received it in a foreclosure. The City is purchasing the parcel for \$2,291.00, which is tax value.

Motion was made by Mr. Conner and seconded by Ms. Perkins to set just compensation for 421 Nash Street at \$2,291.00. Motion carried unanimously.

Mr. Conner asked what the city intends to do with the parcels once recombined.

Ms. Anderson replied that the city plans to build owner-occupied housing. The city prefers to acquire vacant land as opposed to having to relocate tenants.

D. Housing Administrator's Report

Ms. Anderson gave the Housing Administrators report. She informed the committee that transitional rental property for special needs individuals on 408 Cadillac Street will be going before the City Council in October. The house may be used as domestic violence or emergency shelter. Families will have 24 months to prepare for permanent housing. One of the housing development corporations will rehabilitate it. The house will have a 20 year designation as a transitional house.

Ms. Perkins asked if the tenants will pay rent.

Ms. Anderson replied that the nonprofit may charge fair market rent. HUD sets the rental fee.

Mr. Conner asked if the homeowner next to this property will disagree with the transitional rental proposal.

Ms. Anderson replied that the house next to this property is currently vacant. However, not everyone in that neighborhood will be a homeowner.

Mr. Conner asked what the city planned to tell the people who live next door to the transitional house.

Ms. Anderson replied that the city will not inform the neighbors of the transitional housing. Ms. Gloria Kesler will be responsible for initiating the transitional rental program and monitoring the nonprofit.

Mr. Conner stated homeowners feel threatened when a group home moves next door.

Ms. Anderson replied that there will be only one family occupying the house not a group.

Ms. Harris asked what the standards are for selecting a family.

Ms. Anderson replied that the standards are set by the Center for Family Violence Prevention and the nonprofit.

Ms. Harris asked what the city used to determine 24 months as the limit for each family.

Ms. Anderson replied that the determination was based on best practices standard and HOME guidelines.

Ms. Harris asked if the city expected to assist at least ten families over the next 20 years.

Ms. Anderson replied that potentially more families can be assisted should some stay less than 24 months.

Ms. Anderson stated that HOME guidelines states that grantees need to establish some affordable rental units.

Ms. Harris asked if this is the first house of more to come.

Ms. Anderson replied that three other properties are currently being considered as transitional rental property.

Ms. Perkins asked how long after the completion of the first house would staff know if the program is a success.

Ms. Anderson replied that a determination will be made in the first few months.

Ms. Brewington inquired about the process for the homes being sold for transitional rental housing.

Ms. Anderson replied that a nonprofit will handle the process. The city is required to give 15% of the HOME funds to a nonprofit to develop affordable housing.

Distribution of the monthly rental payments are:

- 1/3 of rent used for downpayment assistance
- 1/3 for routine maintenance
- 1/3 for property management

Ms. Kesler will monitor the accounts to ensure compliance.

Ms. Anderson continued the report with an update on the Lead Hazard Control Program. As of September 30th, 65 houses have been cleared, 81 have been tested, total target is 110 houses. Over 51% of the total has been completed.

The Homeowner Rehabilitation Program currently has a 2 year waiting list.

Committee members were asked to update their contact information since meeting packages have to be delivered occasionally.

E. Other

No other business

G. Adjournment

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

Alice F. Brewington, Chair

Sandra W. Anderson, Staff Liaison