

**DRAFT OF MINUTES PROPOSED FOR ADOPTION
THE AFFORDABLE HOUSING LOAN COMMITTEE
Meeting Minutes
Wednesday, July 8, 2015
Greenville, North Carolina**

Present:

- | | | |
|---|---|--|
| <input checked="" 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"/> | <input checked="" type="checkbox"/> Walt Kitchin |
| <input checked="" type="checkbox"/> Matt Smith | <input checked="" type="checkbox"/> Sarah Smith | |

Absent:

- | | | |
|--|--|---------------------------------------|
| <input type="checkbox"/> Howard Conner | <input type="checkbox"/> Melinda Dixon | <input type="checkbox"/> Thomas Hines |
| <input type="checkbox"/> Kevin Fuell | <input type="checkbox"/> | <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) |

A. Roll Call

B. Approval of Agenda

Motion was made by Mr. Hines and seconded by Mr. Fuell to approve the agenda as presented. Motion carried unanimously.

C. Approval of meeting minutes from March 11, 2015

Ms. Brown informed the committee why the approval of the March 11th minutes is on today's agenda. Ms. Brown stated that when staff reviewed the tape of the May 13th meeting (there was no meeting in June) and the March 11th minutes was presented, there was a motion made but not a second. According to the Assistant City Attorney, the committee would have to revisit the approval of the March 11, 2015 minutes.

Mr. Kitchin asked if there was a motion to approve the March 11, 2015 minutes.

Motion was made by Mr. Smith and seconded by Mr. Fuell to approve the meeting minutes from March 11, 2015 as presented. Motion carried unanimously.

D. Approval of meeting minutes from May 13, 2015

Motion was made by Mr. Conner and seconded by Mr. Hines to approve the meeting minutes from May 13, 2015 as presented. Motion was carried unanimously.

E. Old Business

None

F. New Business

1. Reallocation of Funds

a. Literacy Volunteers of America – Pitt County

Mrs. Brown presented a request to reallocate funds from Literacy of Volunteers of America – Pitt County. Mrs. Brown presented to the committee how the Literacy of Volunteers of America – Pitt County would like to distribute their funds and informed the committee that the Executive Director, Mr. Allen Spicer will explain the reasoning behind this request and will be available to answer questions.

Mrs. Brown presented a spreadsheet that indicated line items that were approved for their agreement. The first line balance shown was the current balance. The organization had received several reimbursements. The balance shown was not the balance the organization had in the beginning. The second line balance showed how the organization would like to reallocate their funds. They want to move the entire \$2,475 from Labor and \$1,750 from GAIN to Supplies increasing the Supplies line item to \$4,225. Their last request is to move \$500 from Career Readiness Certification to Staff Training.

Mrs. Brown explained that for their last reimbursement request, they had some Staff Training and the available balance in the Staff Training line item was less than what they were requesting. Mrs. Brown stated that she could only reimburse the total balance which is why they have a zero balance in the Staff Training. The extra \$500 would allow Mrs. Brown to go back and reimburse them the remaining balance from the previous request.

Mrs. Brown elaborated that the balance will still remain the same which totals to \$13,334.16. The total balance that has a minus (-) sign includes the reimbursements taken out. The total balance that has a totals (+) is where all of the reimbursements are added up together which totals to \$1,665.84. Both totals equal to \$15,000 which is the total of their grant.

Mrs. Brown asked if the committee had any questions and introduced Mr. Spicer to elaborate more on the request to reallocate funds.

Mr. Spicer explained to the committee that the basis of their request is that it has been six months into their grant cycle and their organization has grown. Within a nine month period they have served 152 new patrons and a total of 202 patrons overall. The patrons served are adult individuals who are receiving adult literacy classes, literacy tutoring, career readiness certificate and other adult educational services like English as a second language.

Mr. Spicer further explained that after six months of requesting reimbursements and looking at their budget, some of the categories are not what the organization is going to need in order to meet the demands that they have. Moving funds into the supplies

category will allow them to purchase the proper curriculum materials, so they can finish furnishing their offices with book shelves, computer desk, etc. Funds have been spent more on training than they had originally allocated.

Mr. Spicer asked the committee if they had any questions. The committee did not have any questions.

Mrs. Brown informed the committee that staff is recommending that the committee approve the funding reallocation request.

Motion was made by Mr. Conner and seconded by Ms. Dixon to approve the funding reallocation request of moving \$2,475 from Labor and \$1,750 from GAIN to the Supplies category and \$500 from Career Readiness Certification to Staff Training for Literacy Volunteers of America – Pitt County. Motion carried unanimously.

2. Down Payment Assistance

Mrs. Kesler explained to the committee about the 10% no interest loan which is 10% of the sales price of the house. The property can be anywhere in the City of Greenville as long as it meets requirements as decent, safe, and, sanitary. The loan is repaid over 10 years which is 120 payments. The property of Ms. Brown is located at 2020 Cambria Drive, Unit B. The sales price of the house is \$129,900. The loan amount (10%) is \$12,990 and will be repaid over 120 months at the monthly payment amount of \$108.25.

Mrs. Kesler explained that this loan is 0% interest for the course of ten years and the funds can be used for closing cost and/or down payment assistance. Ms. Brown's household is a person of five with an annual median income (AMI) of 85.19%. This program allows up to 120% AMI. Ms. Brown is also a first time homebuyer and has successfully completed the homeownership workshop and has been approved for a mortgage by BB&T. The ratio for this project is 19.78% which is the value of her mortgage which is \$964.89 with an interest rate of 3.63%. The back end ratio is 35.14% which includes the monthly payment that is part of the debt that has to be repaid.

Mr. Kitchin asked Mrs. Kesler to remind them what is the lower threshold on the median income requirement.

Mrs. Kesler replied that 80% is required for the Federal programs but this is a city sponsored fund.

Mrs. Kesler stated that staff recommends that the committee approve the application for down payment assistance to Ms. Brown in the amount of \$12,990.

Motion was made by Mr. Conner and seconded by Ms. Dixon to approve the application for down payment assistance to Ms. Brown in the amount of \$12,990.

3. Subrecipient Updates (2014-2015)

Mrs. Brown updated the committee on the following organizations:

- a. Literacy Volunteers of America – Pitt County
Funded: \$15,000
Reimbursed: \$1,665.84 (11%)
Reimbursement Pending: \$2,899.66.

Mrs. Brown stated that at this time they have 1 reimbursement pending and that she is waiting on bank statements and credit card statements. Mrs. Brown also mentioned that the reimbursement will not be affected by the change the committee previously approved.

- b. Boys & Girls Club of the Coastal Plain
Funded: \$20,000
Reimbursed: \$12,880.43 (64%)
Unexpended Balance: \$7,119.57
- c. ECU/Lucille W. Gorham Intergenerational Community Center
Funded: \$15,000
Reimbursed: \$4,291.00 (29%)
Unexpended Balance: \$10,709
- d. Center for Family Violence Prevention
Funded: \$25,000
Reimbursed: \$13,114.30 (52%)
Unexpended Balance: \$11,885.70
- e. L.I.F.E. of NC. Inc. DBA STRIVE
Funded: \$25,000
Reimbursed: \$8,195.00 (33%)
Unexpended Balance: \$16,805

Mrs. Brown stated that the total reimbursed to date is \$40,146.57 (40%) of the \$100,000 that was approved from the beginning. Mrs. Brown is working with the agencies to make sure they can expend 100% before the end of this cycle which ends in December.

Mr. Hines asked, in spending what seems to be the biggest hold up that they cannot reach that 100% allocation?

Mrs. Brown responded by stating that going in the agencies assume that they have one need in certain areas but when they get into it, things may change. This happened to the Center for Family Violence a year or two ago when there was one area that they found they didn't have as much clientele as they expected and so they wanted to move the money around, just like today, so that they could expend it.

G. Staff Report

Mrs. Brown gave the following announcements:

Homeownership Education Workshop
Saturday August 8, 2015

8:30 p.m. – 4:30 p.m.
United Way of Pitt County, Cupola Building
226 West 8th Street
Gloria Kesler, 329-4226

2015 Financial Literacy Series
July 20th – Keep It Safe
5:30 p.m. – 7:30 p.m.
Sheppard Memorial Library (Room B)
530 South Evans Street
Sylvia Brown, 329-4509

Mrs. Brown mentioned that the Keep It Safe class is about protecting the consumer's rights, how to be financially prepared when disaster strikes, how to recognize how the FDIC protects their deposits and guards against identity theft, various types of insurance and ways to manage risks, planning for unexpected death or disability, and being financially prepared for disasters.

Mrs. Brown mentioned that the last few classes have picked up in attendance. Her last class had 8 attendees and her previous class had about 8 also. Mrs. Brown is trying different tactics and doing different things to try to draw people into the classes and peak the interest in the classes. Mrs. Brown has received calls from social workers and has passed on the listing. Mrs. Brown elaborated to the committee that she gets the word out by emailing the listing and attends the Pitt Resources Connection meetings.

Mrs. Brown informed the committee that the Non-Profit Workshop will take place on Wednesday, September 30, 2015. A letter will go out within a few weeks to non-profits that are on her mailing list. In order to apply for our funds, the non-profit must have a representative at this workshop. A representative is a requirement. If the non-profit does not have a representative in September, they are not eligible to submit an application in January. If anyone is interested in potential funding, please call Sylvia Brown at 329-4509 so they can sign up for the workshop.

H. Other

None

I. Adjournment

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

Walt Kitchin, Chairman

Sylvia D. Brown, Staff Liaison