

**DRAFT OF MINUTES PROPOSED FOR ADOPTION  
THE AFFORDABLE HOUSING LOAN COMMITTEE  
Special Meeting Minutes  
Wednesday, March 11, 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"/> Melissa Grimes           | <input checked="" type="checkbox"/> Walt Kitchin |
| <input type="checkbox"/> Matt Smith               | <input 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 checked="" type="checkbox"/> Melissa Grimes | <input type="checkbox"/> Walt Kitchin |
| <input checked="" type="checkbox"/> Matt Smith | <input checked="" 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"/> Betty Moseley                |
| <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**

Mr. Kitchin advised the committee that the agenda before them had an additional item; number two.

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

**C. Approval of meeting minutes from January 6, 2015**

Mr. Connor recommended changes to dates in the minutes. Staff reviewed his comments and found that the changes recommended by Mr. Connor were actually part of the conversation that took place during the meeting and the dates were mentioned correctly as he stated. However, we were not able to conduct business as planned because of the lack of a quorum. Nothing was stated incorrectly.

Motion was made by Mr. Hines and seconded by Ms. Dixon to approve the meeting minutes from January 6, 2015 as presented. Motion carried unanimously.

**D. Old Business**

None

**E. New Business**

## 1. 2015 HOME funds commitment to Multi-Family Development

Mr. Jones stated that in the Annual Action Plan, \$150,000 has been set aside for Multi-Family Development new construction. The developer will be competing for North Carolina Housing Finance Agency Tax credits. Only one developer in Pitt County will be awarded tax credits. Two developers have submitted proposals with the City: Carolina Project Equities, LLC and Taft Family Offices. CPE completed Phase I of Winslow Pointe.

Mr. Mark Tipton with Carolina Project Equities, LLC, presented the Phase II Winslow Pointe Affordable Senior Housing. Since state tax credits have been eliminated, it is very important to CPE to get HOME funds for this project.

The location of Phase II is off Arlington Boulevard and Hooker Road. Winslow Pointe is currently full with a long waiting list. Phase II is going to be 80 units, four story, elevator-access building for the elderly. There will be 49 one bedroom and 31 two bedroom units.

The team will be:

Developer: Carolina Project Equities

Architect: Steele Group

Contractor: Wavercooke

Property Management: NRP Management, LLC

Financing: Suntrust, City of Greenville HOME funds, NCHFA federal tax credits, and RPP loans.

There will be one parking space or 1.5 spaces per unit. CPE will own the apartments. Phase II will be for 55 and older. The amenities will be within the structure. Rents will be at the 40%, 50%, and 60% Area Median Income. The rent ranges could be approximately \$414, \$513, or \$621 for a one bedroom (738 sq ft) and \$497-\$745 for a two bedroom (1,001 sq ft). All units are at or below 60% AMI. Construction features are all low maintenance, energy efficient appliances, and sprinklers. Some amenities include: covered porte-cochere, gazebos, woods buffer, community rooms, storage lockers, laundry rooms, mailboxes indoors, resident programs, and supportive services. A property manager will be on site at all times. City of Greenville Transit bus stop is also available.

The project is expected to take about 17 months.

Mr. Jones stated that both projects are viable projects and staff recommends that a commitment of \$150,000 be made to the successful proposal that receives the tax credit award from the NCHFA.

Staff recommends that a letter of commitment be given to both developers committing the \$150,000 HOME funds contingent upon them receiving tax credits. If neither developer receives tax credits, the \$150,000 will remain with the city.

Mr. Kitchin asked if he was referring to federal tax credits.

Mr. Jones replied yes, Federal tax credits that trickle down to the State to disburse.

Motion was made by Mr. Conner and seconded by Mr. Hines to provide a letter of commitment for the Multi-Family Development project. Motion carried unanimously.

**2. Set Just Compensation**

**1. 611 Roosevelt Avenue**

Ms. Kesler stated that the owners had waived their rights for an appraisal and will sell at tax value which is \$27,769.00. The property is located within the Perkins Town and Cherry View Historic District. The home will be rehabilitated and sold to a qualified buyer.

Staff recommends setting just compensation for 611 Roosevelt Avenue for \$27,769.00

Mr. Kitchin asked if the new construction was duplexes or single family.

Ms. Kesler replied that they were single family, two story homes.

Motion was made by Mr. Conner and seconded by Mr. Fuell to set just compensation for 611 Roosevelt Avenue at \$27,769.00. Motion carried unanimously.

**3. Subrecipient Funding Request Presentations (2015-2016)**

Ms. Brown stated that there were three subrecipients present to give presentations. She will present the information for the fourth agency. The presentations are on the agenda in the order in which staff received their applications.

**a. Boys and Girls Clubs of the Coastal Plain**

Ms. Brown stated that the Boys and Girls Club is requesting \$40,000.00 to expand the Club Academy program. This is an Academic Success program for students K-12, and will be to be expanded to the Belvoir Road location and the Washington Street location. The goal is to increase the number of children served as well as their services.

**b. Center for Family Violence Prevention**

Ms. Catonnia Pitt represented the Center for Family Violence Prevention. Ms. Pitt stated that \$27,200.00 was needed for the Crisis and Recovery Services Program. These funds will be for the Arlington Boulevard., Evans Street., and Shelter locations. This program will offer shelter, counseling, and parenting services for qualified clients free of charge. The goals are to provide four hours of therapeutic counseling for 60 qualified clients; provide twelve hours of parenting instruction to 30 adult qualified clients; and provide case management, and service risk assessment safety planning for 40 clients.

**c. Literacy Volunteers of America – Pitt County**

Mr. Allen Spicer stated that LV needed \$17,250.00 for the Adult Literacy and Workforce Readiness Skills program, and the Career Readiness Certification.

There is no charge for their services. The goal is to support literacy in Pitt County, NC through trained volunteer tutors who provide one on one and small group tutoring to adults with limited reading, writing or English speaking skills.

Mr. Kitchin asked what was the average age of the population for the program.

Mr. Spicer replied that he did not have that information with him. Generally they work with people who are 18 years old and older.

Mr. Hines asked what the normal time frame was for people in the program.

Mr. Spicer replied that they set goals and for programs like the workforce readiness it could take a couple of months before taking the CRC test.

**d. ECU/LWG Intergenerational Community Center**

Ms. Shawan Sutton represented the Lucille W. Gorham Intergenerational Community Center. Ms. Sutton stated that the IGCC needed \$15,000.00 for the Youth Excelling for Success program (YES). The program serves grades 2 through 7. This program offers triple reinforcement, common core and central standards of classroom teaching and cultural and diversity enrichment. The goal is to offer mentorship, educational and cultural opportunities to local youth.

Ms. Brown stated that the total funding available for the 2015-2016 fiscal year is \$100,000. The total requests equal \$99,450. At the next meeting, the committee will make recommendations that will go to City Council and then to HUD.

**\*1. 2015 HOME funds commitment to Multi-Family Development continued**

Mr. Jones stated that the Taft Family Offices submitted the winning bid for the Parkside Commons Development Construction on this project will be beginning soon.

Mr. Tom Taft with Taft Family Offices presented the Regency Park Apartments family housing. There will be 80 units for families making less than 60% of the Area Median Income. It will be located on 10.13 acres located on Regency Boulevard. The total projected development cost is \$9,500,092. There will be four buildings total; two 2-story buildings and two 3-story buildings. Amenities will include a computer lab, an exercise room, and a multipurpose room. There will be 54 two-bedroom units at 988 square feet with rents ranging from \$397-\$600 and 26 three-bedroom units at 1,128 square feet with rents ranging from \$454-\$675. Residents may earn no more than 60% of the area median income.

Mr. Kitchin asked what the area medium income was.

Mr. Jones replied that 80% of the AMI with one person in the household was about \$33,000.

Mr. Jones stated that \$7 million of the budgets presented is tax credits, which is why it is so competitive. This project would not be possible without the tax credits.

Motion was made by Mr. Hines and seconded by Ms. Dixon to provide a letter of commitment for the Multi-Family Development project. Motion carried unanimously.

#### **4. Neighborhood Revitalization Strategy Area (NRSA) presentation**

Mr. Jones stated that staff has been working on the Neighborhood Revitalization Strategy Area (NRSA) since September 2014. Over the past 10 years, the City has made a large investment in the West Greenville area. The City has used Bond funds, CDBG and HOME funds to restore the West Greenville Area. The NRSA will be a new tool in our tool kit. An NRSA allows for greater flexibility and opportunity in the use of CDBG funds.

The area is comprised of three qualifying census tracts: Part of 1.0, 7.01, and 7.02. Above 70% low to moderate income households lie within the proposed NRSA boundary.

Staff would need to make an amendment to our 2013-2018 Consolidated Plan. An application will need to be made with HUD. The areas north and south of the Redevelopment area have a direct impact on the Redevelopment area. There will be more administrative responsibilities for staff. The NRSA is an area designated by a local government for the purposes of having greater flexibility when using CDBG funds. In addition, it will allow local governments greater flexibility in addressing issues in areas with concentrated poverty

The area must be contiguous; no checkerboard areas across the community. The area must be primarily residential and the area must contain a high percentage of low-to-moderate households. The proposed NRSA meets the requirements because the area is primarily residential (84%).

The data used on the NRSA area was compiled primarily using the American Community Survey 5-year Estimates and the 2010 Census Data when 2013 was not available.

##### **Statistics:**

Census tract 1 contains 1,946 total households  
78% of which are Low-Moderate income

Census tract 7.01 contains 1,782 total households  
77% of which are Low-Moderate Income

Census tract 7.02 contains 1,001 total households  
73% of which are Low-Moderate income

These figures reflect all households earning \$35,000 a year or less. 80% of the AMI for a family of four is \$44,000.

Area demographics:

84.9% Black/African American  
11.5% White  
3.0% Hispanic

Elderly Population:

7.01-24.6%  
7.02-38.3%  
1-29.9%

Median Household Income:

7.01-\$18,856  
7.02-\$25,092  
1-\$15,229

Unemployment Rate:

7.01-14.5%  
7.02-16.2%  
1- 9.3%

Some of the prominent structures located in the area include:

Sadie Saulter Elementary  
Eppes Community Center  
Greenville Police Department sub-station  
George Washington Carver Library  
Lucille W. Gorham Intergenerational Community Center  
Dream Park  
Homeless Shelter  
Third Street Community Center

Benefits include:

Job creation/Retention as Low/Moderate Income Area Benefit  
Aggregation of Housing Units  
Aggregate Public Benefit Standard Exemption  
Public Service Cap Exemption

Current programs that will benefit:

Down payment Assistance  
Housing Counseling  
Owner-Occupied rehabilitation  
Financial Literacy Classes  
Small Business Plan competition  
New construction  
Facade Improvement Grants  
Economic Development Programs

The biggest focus of the 2013-2018 Consolidated Plan was the job training and workforce development programs. Up until now, staff has not had a viable way of bringing this to fruition.

Mr. Fuell asked if this would affect the audit requirement for those agencies in the NRSA.

Mr. Jones replied that the audit requirement would stay the same. HUD requires the City to have an audit and since the funds used for subrecipients are from HUD, then they have to comply with the same rules.

Mr. Fuell asked if the NRSA would increase the cap for the subrecipients.

Mr. Jones replied that the 15% cap would remain the same except for the subrecipient in the strategy area, they could ask for an additional amount. They would need to come before the committee to prove why they needed it. The NRSA will not bring in any additional funding. It may open up doors in the future to bring in more funding from additional sources.

#### **5. Election of Chairman**

Ms. Brown requested nominations for the position of Chairman for the Affordable Housing Loan Committee.

Mr. Conner nominated Mr. Walt Kitchin for the position of Chairman. Mr. Fuell seconded. Nomination carried unanimously.

#### **6. Election of Co-Chairman**

Ms. Brown requested nominations for the position of Co-Chairman for the Affordable Housing Loan Committee.

Mr. Conner nominated Mr. Thomas Hines for the position of Co-Chairman. Mr. Kitchin seconded. Nomination carried unanimously.

### **I. Staff Report**

Ms. Brown gave the following event reminders and invitations:

2015 Financial Literacy Series  
Sheppard Memorial Library (Room B)  
Monday, March 23rd – Check It Out (Part 1)  
5:30 – 7:30 PM  
Sylvia Brown, 252-329-4509

Homeownership Education Workshop  
Saturday, April 11, 2015  
Gloria Kesler, 252-329-4226

Presentation to City Council  
Monday, March 16, 2015 (6PM)  
Mr. Kitchin will be presenting

Ms. Brown stated that 901 Douglas Avenue has been rented and the tenant is currently working toward buying. All CHDO properties have been rented. Greenville Housing Development Corporation is currently constructing three new homes in the Lincoln Park community.

Ms. Brown expressed appreciation for Ms. Grimes efforts and participation in the AHLC.

**J. Other**

None

**K. Adjournment**

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

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Walt Kitchin, Chairman

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Sylvia D. Brown, Staff Liaison



**DRAFT OF MINUTES PROPOSED FOR ADOPTION  
THE AFFORDABLE HOUSING LOAN COMMITTEE  
Meeting Minutes  
Wednesday, May 13, 2015  
Greenville, North Carolina**

**Present:**

- Howard Conner
- Kevin Fuell
- Matt Smith

- Melinda Dixon
- 
- Sarah Smith

- Thomas Hines
- Walt Kitchin

**Absent:**

- Howard Conner
- Kevin Fuell
- Matt Smith

- Melinda Dixon
- 
- Sarah Smith

- Thomas Hines
- Walt Kitchin

**Staff:**

- Merrill Flood
- Niki Jones
- Gloria Kesler

- Sylvia Brown
- Christine Wallace
- Marion Blackburn (City Council Liaison)

**A. Roll Call**

**B. Approval of Agenda**

**C. Approval of meeting minutes from March 11, 2015**

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

*(Second to motion was not made. Committee will have to revisit this approval at their next meeting.)*

**D. Approval of meeting minutes from April 8, 2015**

Motion was made by Ms. Dixon and seconded by Mr. Conner to approve the meeting minutes from April 8, 2015 as presented. Motion carried unanimously.

**E. Old Business**

None

**F. New Business**

**1. Down Payment Assistance**

**a. 607 Roosevelt Avenue**

Mrs. Kesler mentioned to the committee that within the West Greenville Revitalization Area staff has been working towards purchasing houses that we've built, and funds were brought in to help fund families but existing properties also qualify for the down payment assistance program. Staff uses a 20% HOME grant which is issued from HUD money each year and it's 20% of the sales price of the house is 0% interest. Its forgiven 1/15 a year and it goes away as long as the tenant does not move out or sell the property. This is a way to help buy down the cost.

The Norman family has applied for a grant for the property at 607 Roosevelt Avenue. The sales price of the home is 87, 200.00. This is a new construction property and private development. This is not a property that the City has built or is a part of any non-profits. The house has been appraised for \$88,000. The amount of assistance based on the \$87, 200 is \$17, 440. That amount would go towards down payment assistance for this program. The family will need a \$70,000 loan opposed to having to do a loan in the amount of \$88,000.

Mrs. Kesler explained that families have to fall with certain debt to income ratios. Lenders use this method to make sure that applicants are not over spending on how much house they can afford. The City's program requires you to spend no more than 33% of your gross monthly income toward your household. The money is your PITI (Principle, Interest, Taxes, and Insurance). Their ratio is at 22.29% which is well within the guidelines. The family is debt free and is first time homebuyers. They have also completed the education requirements and one-on-one counseling in preparation to get the family ready for a mortgage. The family has also been approved for the down payment assistance program. They just need to know that the \$17,440 is available. They are also approved by Gateway Funding Diversified Mortgage Services, LLC. Based on a good faith estimate, their payments will be 464.09 with an interest rate of 4%. This is only a \$22.00 increase in their housing expense a month.

Mr. Kitchin asked is the house ready to move into at this time?

Mrs. Kesler responded that the house is ready now and that there are only two things left to do which include fixing a hot water heater and get the power turned back on.

Mr. Kitchin asked Mrs. Kesler if she needs any action from the Affordable Housing Loan Committee.

Mrs. Kesler responded by stating staff recommends the Affordable Housing Loan Committee approve the application for down payment assistance in the amount of \$17,440.00.

A motion was made by Mr. Conner to approve the down payment assistance for 607 Roosevelt Avenue in the amount of \$17,440. Motion was seconded by Mrs. Smith. Motion passed unanimously.

## 2. Subrecipient Funding Update (2014-2015)

Mr. Jones updated the committee on the Subrecipient Funding which included:

- a. Literacy Volunteers of America – Pitt County  
Funded: \$15,000  
Reimbursed: 1%

Mr. Jones anticipated the spending will increase within the next couple of months.

- b. Boys and Girls Club of the Coastal Plain  
Funded: \$20,000  
Reimbursed: 26%
- c. ECU/Lucille W. Gorham Intergenerational Community Center  
Funded: \$15,000  
Reimbursed: 16%
- d. Center for Family Violence Prevention  
Funded: \$25,000  
Reimbursed: 30%
- e. L.I.F.E. of NC, Inc. DBA STRIVE  
Funded: \$25,000  
Reimbursed: 29%

Mr. Jones mentioned that another update will be given at the July Affordable Housing Loan Committee meeting with expectations that the expenditures will be closer to 50%.

Mr. Kitchin asked Mr. Jones the lag time between the expenditure and the reimbursement, what does that normally run?

Mr. Jones stated that if a credit card is being used then it's a little different because they have to wait and see if the payments come through and comes off the credit card. That can take up to a month and a half. However, expects the average turnaround time to be a month.

## **G. Staff's Report**

Mr. Jones gave the following announcements:

2015 Financial Literacy Series  
Monday, May 18, 2015 – Money Matters  
Sheppard Memorial Library (Room B)  
530 South Evans Street  
5:30 p.m. – 7:30 p.m.  
Sylvia Brown, 329-4509

Mr. Jones mentioned that the attendance seems to fluctuate depending on the topic; however, there is still a good attendance overall to the class.

Homeownership Education Workshop  
Saturday June 13, 2015  
8:30 p.m. – 4:30 p.m.  
United Way of Pitt County, Cupola Building  
226 West 8<sup>th</sup> Street  
Gloria Kesler, 329-4226

Historic Preservation Day  
Thursday, July 30, 2015  
8:00 a.m. – 8:00 p.m.  
City Hall, Winslow's Deli, Intergenerational Center

Mr. Jones mentioned that the Historic Preservation Day will consist of educational opportunities to teach the community, property owners, contractors, and developers about Historic Preservation in conjunction with the Historic Preservationist who will conduct a workshop also. More information will be sent out via email, GTV9, and multiple media outlets to promote this day.

**H. Other**

None

**I. Adjournment**

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

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Walt Kitchin, Chairman

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Sylvia D. Brown, Staff Liaison