



COMMUNITY DEVELOPMENT

MEMO

To: Affordable Housing Loan Committee Members

From: Sylvia D. Brown, Planner I 

Date: May 6, 2015

CC: Merrill Flood, Community Development Director

Re: Affordable Housing Loan Committee Meeting

The next regularly scheduled meeting of the Affordable Housing Loan Committee will be held on Wednesday, May 13, 2015 at **4:00 PM** at City Hall, 200 West 5th Street in the 3rd Floor City Council Chambers.

Please call (252) 329-4481 or e-mail cwallace@greenvillenc.gov by 5:00 PM, Tuesday, April 12, 2015 to confirm your attendance.

Thank you for your time and effort in helping to move our housing programs forward!



COMMUNITY DEVELOPMENT

Affordable Housing Loan Committee
Wednesday, May 13, 2015
City Hall Council Chambers 3rd floor
200 West 5th Street
4:00 PM

Agenda

A. Roll Call

B. Approval of Agenda

C. Approval of meeting minutes from March 11, 2015

D. Approval of meeting minutes from April 8, 2015

E. Old Business

None

F. New Business

1. Down Payment Assistance

a. 607 Roosevelt Avenue

2. Subrecipient Funding Update (2014 -2015)

- a. Literacy Volunteers of America – Pitt County**
- b. Boys and Girls Clubs of the Coastal Plain**
- c. ECU/Lucille W. Gorham Intergenerational Community Center**
- d. Center for Family Violence Prevention**
- e. L.I.F.E. of NC, Inc. DBA STRIVE**

G. Staff's Report

H. Other

I. Adjournment

**DRAFT OF MINUTES PROPOSED FOR ADOPTION
THE AFFORDABLE HOUSING LOAN COMMITTEE**

**Special Meeting Minutes
Wednesday, March 11, 2015
Greenville, North Carolina**

Present:

☒ Howard Conner
☒ Kevin Fuell
☐ Matt Smith

☒ Melinda Dixon
☐ Melissa Grimes
☐ Sarah Smith

☒ Thomas Hines
☒ Walt Kitchin

Absent:

☐ Howard Conner
☐ Kevin Fuell
☒ Matt Smith

☐ Melinda Dixon
☒ Melissa Grimes
☒ Sarah Smith

☐ Thomas Hines
☐ Walt Kitchin

Staff:

☐ Merrill Flood
☒ Niki Jones
☒ Gloria Kesler

☒ Sylvia Brown
☒ Betty Moseley
☐ Marion Blackburn (City Council Liaison)

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.

Walt Kitchin, Chairman

Sylvia D. Brown, Staff Liaison

**DRAFT OF MINUTES PROPOSED FOR ADOPTION
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)

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. Catonnia 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. Kitchen 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 3rd 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 8th 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.

Walt Kitchin, Chairman

Sylvia D. Brown, Staff Liaison