



HOUSING AND NEIGHBORHOODS DEPARTMENT

JACKSONVILLE HOUSING COMMISSION

MINUTES

OF

REGULAR MEETING

May 21, 2008

4:00 p.m.

May 21, 2008

4:00 p.m.

PROCEEDINGS before the Jacksonville Housing Commission taken on Wednesday, May 21, 2008, Ed Ball Building, 214 N. Hogan Street - 8th Floor, Jacksonville, Duval County, Florida commencing at approximately 4:03p.m.

COMMISSION MEMBERS

CHARLES COMMANDER, Chair
BURSEY J. ARMSTRONG, SR., Member
CATHERINE L. CHILDERS, Member
KEN FILIP, Member
BARBARA HARRELL, Member
JIM PELLOT, Member
ANTOINE D. ROBERTS, Member
BERNARD E. SMITH, Member

WIGHT GREGER, Director

APPEARANCES

BOARD MEMBERS:

CHARLES COMMANDER, Chair
BURSEY J. ARMSTRONG, SR., Member....absent
CATHERINE L. CHILDERS, Member
BARBARA HARRELL, Member
JIM PELLOTT, Member
KEN FILIP, Member
ANTOINE D. ROBERTS, Member.....absent
BERNARD E. SMITH, Member
KERRI STEWART, Ex-Officio Member....absent

PROFESSIONAL STAFF:

KAREN CHASTAIN, Esquire, Office of the General Counsel
CLAY YARBOROUGH, Council Member, District 1

STAFF:

DAYATRA COLES
FLORETTA GREEN
WIGHT GREGER
DARRELL GRIFFIN
SUSAN HARNAGE
MATTHEW SCHMID
LAURA STAGNER-CRITES
TEMEKA STROUD
YON WHEELER

OTHERS PRESENT:

Tom Beeckler, The Beeckler Co.
Gina Birmingham, Housing Partnership
Carolyn Ettlenger, Housing Partnership
Ronnie Ferguson, JHA
John Gallenwald, Montenero
J. Halsema, J. Halsema, PA
Pat Hannon, Community Connections
Sandy Horvitz, LISC
Bishop E.M. Johnson, GTCDC
Linda Kane, Holland & Knight
Michael Kuhr, Community Connections
Gene Montgomery, LISC
Shannon Nazworth, Ability Housing
Gregory Owens, JEA
Richard Paige, Housing Partnership
D. Strickland, Everbank
Bill Wilson, Builders Care

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PROCEEDINGS

May 21, 2008

Regular meeting

4:00 p.m.

Call to Order and Comments. Chairperson Commander called the regular meeting to order at approximately 4:03 p.m. with a quorum present.

1. Consider Approval of Minutes of April 16, 2008 Regular Meeting. The first item on the agenda was the approval of the minutes of the April 16, 2008 Regular Meeting, a copy of which is attached hereto and by this reference made a part hereof. A motion was made by Mr. Pellot to approve the minutes as amended and duly seconded by Ms. Childers.

Motion passed 6-0.

2. Staff Reports

2a. Financial Report

Referring to the Financial Reports, copies of which are attached hereto and by this reference made a part hereof, Ms. Stagner stated that the Financial Summary ending March 31, 2008 are available for review. She stated that staff is steadily improving the expenditures of the grant funds and are working on closing out the prior year funds.

2b. Legislative Update.

Referring to the Legislative Update Memorandum, a copy of which is attached hereto and by this reference made a part hereof. Ms. Stagner stated that the Legislative Update with the new

format is available for review. The new format will include all of the legislative information that impacts housing regardless of the area that generated it. This format was instituted so that the Board will have an idea of everything that is going on within the department. Any dates that are noted in red are for activities that have not happened yet.

2c. Director's Report.

Ms. Greger gave a report regarding information that has taken place since the last authorized Board meeting. Discussion ensued about the following:

- Ms. Greger stated that staff is still working on the new legislation that is needed to define the roles and specific details in order to legally separate the JHC and JHFA Boards. Referring to the legislative memorandum JHC/JHFA marked in red version of the proposed changes, a copy of which is attached hereto and by this reference made a part hereof, the State of Florida for the SHIP program have imposed new regulations which specify that certain industry groups be represented on the advisory Boards. She informed the Board that in order to be in compliance with the new statutory requirements, industry specific slots must be filled. The department must be in compliance by June. Once the legislation is approved by City Council separating the JHC and JHFA Boards, there will be seven vacancies that will need to be filled on the JHC Board. The JHFA Board

members will no longer sit on the JHC Board. Ms. Greger stated that she has reached out to Council President Daniel Davis for recommendations.

- Ms. Greger stated that we are in the middle of the City Council budget process. The budgets for the department have been prepared. All of the housing dollars will be submitted separately to City Council rather than be included in the Mayor's budget since the sources come from grants.
- Ms. Greger polled the Board about conducting meetings in June and July. Discussion ensued and the Board decided to have the next Board meeting on June 25, 2008. There will be no July Board meeting unless there are actions items needed for approval.

2d. Program Reports

Referring to the Production Report, copies of which are attached hereto and by this reference made a part hereof. Ms. Coles stated that production is continuing to progress.

- There are several units in progress in the housing rehab program and they are near completion. The H2H program has 96 applications that are in process. Ms. Harnage stated that the H2H program had been outsourced in February. Now, the lenders are responsible for pre-approving qualifying applicants. Once the applicants are qualified, they submit their paperwork to the division for further processing.

Ms. Harnage stated that before outsourcing the H2H program, they were denying 60% of the applicants. With the outsource, it preserves staff time to focus on applicants that are actually qualified.

- Ms. Coles stated that on May 7th, they attended an event along with partnering agencies given by Neighborworks America in conjunction with HUD. The purpose of the event was for the service providers and/or banks to target those who are in the process of foreclosure. Individuals sat with a loan servicing agent in order to begin the process to determine if a workout could be done in order to save their home.
- The Foreclosure contract has been executed with Family Foundations. Marketing materials for the foreclosure program will be available for review shortly.
- Staff is conducting foreclosure research within Duval County. They are pulling each and every case that has completed the foreclosure process to determine whether the foreclosure came from single-family, multi-family, or an investor entity. The completion of the data should be available at the August Board meeting for review.
- The division participated in the Fair Housing Symposium on April 6th that was given by the Human Rights Commission. Staff has also participated in Section 8 workshops given by the Housing Authority and will be continuing to participate

on a regular basis.

- Ms. Coles stated that there is a Lien Disposition Program where the partner agencies come and request that nuisance liens be removed from the property in order for them to build affordable housing. As of March, there have been 43 lien request for removals processed.

3. Committee Reports

3a. Jacksonville Housing Finance Authority.

Mr. Smith stated that at the JHFA Board meeting today the following items were discussed:

- The three bond deals that have been approved are still in the various stages of credit underwriting. They are Bennett Creek, Arlington Portfolio and the Towers of Jacksonville.
- The 2006 single-family bond issue still has \$2M left to originate. The Board authorized a plan to extend assistance to this program in order to have the funds expended by the October 1, 2008 deadline. The 2007 bond issue has approximately \$7M left in the pool and is moving very well.
- Last month, there was an approval for revisions to the policy relating to the JHFA Trust Fund which has about \$2M available. Today, discussion ensued about exploring the aspects of initiating an RFP to move funds to any potential multi-family deals that need subsidy.

4. Action Items

4a. Community Connections Request

Referring to the Community Connections of Jacksonville (CCJ) Request, a copy of which is attached hereto and by this reference made a part hereof, Ms. Greger stated that the City of Jacksonville has been providing funds to CCJ in support of their capital campaigns over the last 15 years. CCJ is requesting modification of their loan terms and recommends the following:

- To have the first loan (SHIP) in the principal amount of \$251,774.84 and the fourth loan (HOME) in the principal amount of \$441K re-characterized to be interest free to be forgiven in the amount on 1/15 of the principal balance for each year that CCJ continues to provide housing and services to low income residents as well as extend the due date of the loans for fifteen years.
- To provide cooperative help in restructuring the second mortgage SAIL loan. This will give time to pursue the remainder of the strategic plan and strengthen the fiscal and programmatic success of the CCJ and the Davis Center.

Ms. Kane from CCJ gave a brief overview of the funding sources and their financial status. Discussion ensued about proposed renovations. Ms. Harrell made a motion to approve the request made by Community Connections. Mr. Pellot seconded the motion.

Motion passed 6-0.

4b. Willow Lakes Commitment

Referring to the request of modification letter dated April 22, 2008 from Created Equal Communities, LLC (CEC) in reference to

the Willow Lakes development, a copy of which is attached hereto and by this reference made a part hereof, Ms. Greger stated that the development has been successful in putting together their other sources of financing and successful in receiving their bonds. Today, they are requesting a modification of the terms of the commitment letter between CEC and the City of Jacksonville dated September 25, 2007, a copy of which is attached hereto with the red-lined changes and by this reference made a part hereof with the following:

- Request that the expiration date of the commitment be extended until September 1, 2008.
- Request modification of the loan to require a certificate of occupancy (CO) before June 30, 2009.
- Request consideration relative to the City's loan lien priority.
- Request that the term of the loan be extended for an additional thirty-five (35) years.
- Request that the commitment be modified to allow for a bond amount that does not exceed \$11,200,000.
- Request that in connection with the funding of the loan and the closing process, the City consent to the entire loan amount (\$1,250,000) being funded at closing and deposited with the Trustee.

Ms. Packard from Packard Consulting was asked several questions about the budget, certificate of occupancy deadlines, total cost

and the scope of renovation. Ms. Packard gave a brief presentation about the location, units, type of income levels and the reason for the request. Ms. Chastain was concerned about the issue of the direction to the Trustee to disburse the Commission's funds based on construction progress. Whether it be disbursed last or on a pro-rata basis. She stated that this issue presents itself in every one of the construction rehab project request. She suggested that the Board will need to establish a policy in order to deal with this issue in the future.

Discussion ensued and Mr. Pellot made a motion to adopt the April 22, 2008 letter submitted by CEC with the exception of the last bullet that states "CEC request that, in connection with the funding of the loan and the closing process, the City consent to the entire loan amount (\$1,250,000) being funded at closing and deposited with the Trustee" to be amended to clarify "CEC requests that, in connection with the funding of the loan and the closing process, the City consent to the entire loan amount (\$1,250,000) being funded at closing and deposited with the Trustee. The loan documents will set forth an inter-creditor agreement with the Trustee that the Commission's funds will be disbursed on a pro-rata basis based on construction progress". Mr. Filip seconded the motion.

Motion passed 6-0.

5. Discussion Items

5a. Rehabilitation Policies and Procedures (Update)

At last month's meeting, Ms. Green requested authorization to solicit feedback from the rehab providers in order to provide a compilation of recommendations and suggestions for the rehabilitation policies before making changes to the LHAP.

Today, Ms. Green stated that a meeting was conducted with all of the rehab providers. The rehab policies and procedures have not been amended as of yet because there is another meeting scheduled for next week. She stated that hopefully, the final rehab policies and procedures will be presented for approval at the next authorized Board meeting.

6. New Business

6a. Tenant Based Rental Assistance (TBRA)

Referring to the summary of the tenant based rental assistance program. Ms. Greger stated that there have been a series of Extremely Low Income (ELI) workgroups regarding ways to assist individuals that have extremely low income. One of the items discussed in this workgroup is coming up with a proposal of bridging the gap between the housing cost and what people can afford. She wanted to know if the Board will entertain this type of project so that staff can start the process of coming up with some firm procedures. Ms. Nazworth gave a brief overview of the TBRA program and how the City and the community can get involved to help individuals who are within the 30% or below of the area median income range. Discussion ensued about funding

HOME dollars, eligibility, targeting resources, identifying sources, outsourcing and administration of funds, legislation, and the extent of other projects going on within the department. The Board feels that it is a good idea as long as the department does not administer the funds and requests that staff pursue a program with some details and specific information. Ms. Greger stated that she did not want to start a process with HUD until she presents a report to Board with some realistic information.

7. Old Business

7a. Contract Status Report Referring to the Contract Status Report, a copy of which is attached hereto and by this reference made a part hereof. Ms. Green stated the Contract Status Report is available for review and to contact her if there are any questions.

Public Comments

- Mr. David Strickland from HABIJAX thanked the Board for their continued support. He stated that outside funding has decreased which has caused them to use their own assets for construction. At their board meeting, they were asked to start instituting ways to build sustainable communities and requested to be a participant of the rehab program that is offered by JHC.

Adjournment

Meeting adjourned at 5:38p.m.

JACKSONVILLE HOUSING COMMISSION

Certification

Recorded and Transcribed by:

Submitted by:

Yonner Wheeler

Secretary (N/A)

Approved by:

Charles Commander, Chairman

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