

PLANNING AND DEVELOPMENT DEPARTMENT
HOUSING AND COMMUNITY DEVELOPMENT DIVISION



JACKSONVILLE HOUSING AND COMMUNITY DEVELOPMENT COMMISSION BOARD MEETING MINUTES

June 18, 2014

4:00 p.m.

Proceedings before the Jacksonville Housing and Community Development Commission taken on Wednesday,
June 18, 2014, Ed Ball Building, 214 N. Hogan Street - 8th Floor
Jacksonville, Duval County, Florida, commencing at approximately 4:00 p.m.

COMMISSION MEMBERS

Ajani Dunn, Chair
Ramonda Fields, Member
Lisa King, Member
Philip Mobley, Member
Mel Norwood II, Member

Elaine D. Spencer, Chief

JACKSONVILLE HOUSING COMMUNITY AND DEVELOPMENT COMMISSION BOARD MEETING MINUTES

June 18, 2014

Board Members Present:

Ajani Dunn, Chair
Ramonda Fields, Member
Lisa King, Member
Philip Mobley, Member
Mel Norwood II, Member

Professional Staff:

Others Present

Martha Cox, Family Foundation
Robert Ownby, Operation New Hope
Mary Kay ORourke, HabiJax
Angela Leatherbury, Habijax
James Coggin, Operation New Hope
Shannon Nazworth, Ability Housing
Charles Dabney, LISC
Cheryl Murphy, Catholic Charities

Board Members Absent:

Daniel Albert, Member

Staff:

Elaine Spencer, Chief, Housing & Community
Development
Lacree C. Carswell Laura Stagner
Susan Harnage Rosemary Wesolowski
Rob Gillrup Amy Robinson
Loretta Lee Tina Beals
Reggie Walker Errol Schell
Shanee Ealey Jane Bouda
Benita Dawson Valerie Richardson
Scott McLarty

JACKSONVILLE HOUSING COMMUNITY AND DEVELOPMENT COMMISSION BOARD MEETING MINUTES

June 18, 2014

The Last Board Meeting was Held on April 30, 2014.

Agenda Item	Content	Exhibit/s of which are attached hereto and by this reference made a part hereof.	Action and/or Follow-Up
Call Meeting to Order, Welcome and Introductions	Chair Dunn called the meeting to order at 4:00 p.m. A quorum was present.		N/A
Consider Approval of Minutes	Motion Passed:		
I. Staff Reports	<p><u>A. Elaine Spencer's Verbal Report:</u></p> <p>Ms. Spencer informed the board and attendees that, on March 21, 2014, HUD conducted an Environmental Review of the Housing and Community Development Division. The Environmental Review is one of HUD's standard reviews and they do hundreds of them around the country each year. A report on that review was issued on May 21, 2014.</p> <p>The report issues four (4) findings and several concerns. From a HUD perspective, findings are a violation of Federal regulation or statute. Concerns are not a violation, but are issues observed and written up in such a manner that allows this division to take proactive steps to improve performance so they do not become findings.</p> <p>The four (4) Findings of the Environmental Review were:</p> <ol style="list-style-type: none"> 1. Records - The Environmental Review finds 		

the condition of the City's records are inadequate. It is clear from the files reviewed that the staff responsible for completing the environmental reviews do not have the capacity to ensure that the reviews are adequately documented and in compliance with all laws and authorities. As a function of a corrective action, it has been asked that the staff be subject to adequate training to improve capacity. The city must develop the capacity to adequately complete the environmental review process and document compliance with all applicable environmental laws and authorities. To accomplish this, the city must attend a HUD sponsored environmental training and develop sufficient policies and procedures to ensure staff are aware of compliance steps prior to the commitment of HUD funds. In addition, HUD will prevent the draw-down of additional funds from CDBG and HOME assisted projects until the City has submitted their ERRs to HUD for review and approval. Once HUD has determined that the City has developed the capacity to adequately complete the environmental review process, the City will no longer need to submit the ERRs to HUD for review.

Mrs. Spencer stated that she and her staff are aggressively attending to the findings in the report. Immediately, staff started inquiring on the availability of HUD sponsored environmental trainings. Two (2) staff members were sent to Atlanta for the required training and the remaining members of the senior management team were able to start training via teleconference remotely. Currently, there are six (6) employees that have been subjected to environmental review training and are now certified in the

	<p>environmental review process. Staff will continue to take advantage of available HUD training until HUD is assured that the City has the capacity. As requirements change or are updated, the City will make sure that staff continues to attend those courses and receives the required certifications.</p> <p>2. Preparing the Environmental Assessments- The City is not adequately aggregating its projects and is incorrectly completing the assessments for individual sites and step projects. The City is not conducting the correct level of assessment review. This results in over compliance in some projects and non-compliance for other projects. The public is not being adequately notified of projects that have triggered compliance or projects that require a FONSI (Findings of No Significant Impact). The current process is not efficient or cost effective and is not in compliance with correct HUD policies regarding tiers and aggregation. The corrective action is the same as stated in Finding #1, staff needs to complete the necessary training, obtain all certifications and submit all reviews to HUD for review and approval prior to committing HOME or CDBG funds. This will be required until HUD has determined that the City has obtained the necessary capacity to ensure environmental assessment capacity for future projects. In addition, the City should revise their existing tiered review to include single family scattered site activities only. This will result in a more streamlined review process for the City's single family scattered sites and ensure other projects that required site specific reviews are reviewed</p>		
--	--	--	--

separately, as required.

3. Related Federal Laws and Authorities for Historic Preservation – The City is not adequately complying with Section 106 requirements for many of its activities. The review determined that several properties, requiring rehab or demolished using CDBG, HOME and/or NSP3 funds without completing the Section 106 process, were possibly eligible for listing in the National Register of Historic Places. The review determined that 18 potentially historic projects were either rehabbed or demolished without consulting the State Historic Preservation Office. The corrective action is that the City must create adequate policies and procedures to ensure that all HUD funded projects are in compliance with Section 106. As stated in Finding #1, staff must complete training and develop the necessary capacity to ensure compliance for future projects. It is not possible to mitigate for the demolition activity that has already occurred, the HUD funds used to demolish 13 properties in the amount of \$160,625 will have to be repaid. The City has also failed to follow Section 106 for rehab activities in four (4) locations. Unlike in the case for demolished properties, it may be possible to create an ERR for those projects rehabbed. If the ERR can be accomplished in 90 days, HUD will consider revisiting this portion of Finding #3. If not, the City should reimburse the line of credit by \$545,960.75.

Mrs. Spencer reiterated that staff has attended training and are revising policies and procedures. Staff does not have the

addresses of the properties that are in the findings and has requested the information from HUD. Currently, staff is trying to work with the State Historic Preservation Office to assess what type of negative or adverse impacts may have occurred and to what extent. There is precedence for this type of mitigation and HUD would allow us to look at possible mitigation for the four (4) rehab projects. Again, we have 90 days to accomplish this. The 90 day period began on May 21, 2014 when the report was presented. It will also be determined how and where the funds will be allocated from to reimburse the \$160,625.

Member King made several inquiries:
Will the \$160,000 that needs to be repaid come from non-Federal funds? Will City Council have to approve where the funds comes from for repayment?

Laura Stagner stated that it hasn't been determined yet what funds must be used for repayment. They are exploring different options and one option is that repayment can be made by reducing future allocation of NSP/CDBG funds.

Member King stated that she has concerns that only 90 days were allotted for remediation. Where would the funding for remediation come from?

Chief Spencer stated that we do not know that yet. At this time we are having daily discussions with HUD. There are many questions that have not been answered yet.

Member King informed the group she was appointed on the Housing Commission to

represent the Planning Commission and she finds this finding very disturbing. It was stated that there are portions of the Comp Plan that focus on historic preservation and would like to be informed as additional information becomes available. Member King did request that a list of the historic properties that were demolished be provided with their addresses and a timeline of events. Included in the timeline should be: when they were selected, when the purchase order was issued and when they were demolished. In addition there was also a request to have a list of the properties with addresses provided for the homes that were rehabbed.

Chair Dunn inquired if the work has to be completed in 90 days or does an ER / plan have to be completed in 90 days?

Chief Spencer stated that we need to have accomplished everything that we can within the 90 days. We are aggressively seeking to mitigation to those homes.

4. Related Federal Laws and Authorities
- Thermal and Explosive Hazards. The City is not adequately documenting compliance with 24 CFR Part 51 Subpart C for its new construction housing infill activities. While this requirement does not apply to rehabilitation or modernization activities that do not result in an increased number of people being exposed to a hazard by increasing residential densities, new construction activities including in-fill new construction are subject to compliance. During our review, it was noted that the checklist the City is using to document compliance with Thermal and Explosive

	<p>Hazards does not address whether or not there are any above ground storage tanks (ASTs) that contain thermal and explosive hazards within 1 mile of the site. In addition, during the site visit it was noted that two in-fill new construction single family properties in the Norwood Neighborhood were located within 600 feet of a large industrial facility containing several ASTs. However, it does not appear that an analysis was done prior to the construction of these homes to determine if the ASTs at this site contain thermal and explosive hazards and if so, if the properties would be located at an acceptable separation distance (ASD) from the hazards.</p> <p>The effect is that the City is not adequately considering the potential impacts from ASTs located in proximity to HUD-assisted projects including in-fill new construction activities funded through the NSP and Home Programs.</p> <p>The Corrective Action is the City must revise the process and procedures it currently uses to comply. In addition, the City must evaluate the industrial site located adjacent to the Norwood neighborhood to determine if any of the ASTs located within 1 mile of the site contain thermal and explosive hazards. If it is determined that there are thermal and explosive hazards being stored at the site, then ASD calculations must be made for every HUD funded infill new construction property located within 1 mile of the applicable tanks. In addition, if any of the houses are determined to be located within the ASD, then mitigating measures</p>		
--	---	--	--

	<p>must be taken to ensure the safety of those homeowners or the HUD Funds will have to be repaid.</p> <p>Chief Spencer stated that in regard to this finding we are in the process of acquiring information about these tanks. We are seeking records that indicate what the tanks contain and looking to identifying any properties within 1 mile of the noted tanks. We are using GIS mapping to assess the connection to that site. We are aggressively handling this finding.</p> <p>Chair Dunn stated that he recognized that it is still a work in progress, but inquired if the division has enough staff in place with enough training in place to correct these findings? Also, how will staff be kept up to date with training going forward?</p> <p>Chief Spencer stated that we do have eight funded vacant positions in our division. Seven of those positions have been advertised and interviews are currently being conducted. There are two new hires recently; Scott McLarty will support the Finance Team and previously was employed in the Jacksonville HUD office and Devin Carter will be reporting directly to Ms. Spencer as an Operation Specialist. Mr. Carter was previously employed in the City of Jacksonville Accounting Department. We are looking to fill the other positions within the next 60 days.</p> <p>Chief Spencer confirmed that capacity is always an issue, but with the reorganization in April that has placed us under the Planning and Development</p>		
--	---	--	--

	<p>Department has helped in allowing us to get the staff needed to fill these positions. Chief Spencer ensured the board that training will be completed by staff in order to make sure that we never have findings like this again.</p> <p>Member King stated that some of this information in regard to the demolition of historic homes in the area has been in the local media for the past year so it wasn't a surprise. Did you have adequate resources to anticipate during your next review that by looking at the files that there may be problems and try to get in front of it a little bit?</p> <p>Chief Spencer stated that as soon as we learned that there was a problem with the first house we took the proactive steps to contact HUD and we immediately sent them boxes of files. So yes, we were trying to stay ahead of this issue and did not want to continue these practices if they were incorrect. When HUD reviewed the files it was determined then that they would come and do a review.</p> <p>Chair Dunn asked the board members to take a minute to reflect on how we as a commission can function at the highest level and represent the community fairly. We as a commission need to make sure we are asking staff the right questions and utilizing our expertise. Chair Dunn stated that he would like to spend some time at the next session and maybe sometime during an off-cycle planning session to be scheduled so we can make sure we are supplying a strong enough advocacy on behalf of the city.</p>		
--	--	--	--

Member Mobley supported Chair Dunn's comments and we need to do this. The last finding concerns me greatly because it involves individuals (tenants or homeowners) in those residences. We also need to be assured that we know how to think through these issues.

Chief Spencer mentioned that a number of these issues that are in the report go back to 2009. In 2012, we were able to connect with and obtain the services of Cloudburst. There is still a lot of work to be done and HUD has extended their contract with us for an additional 4 months. This will also lead to additional opportunities of capacity building.

HOME Program Legislation - Laura Stagner

Ms. Stagner informed the commission that the HOME Program Income Legislation is still deferred in Committee. Chief Spenser is working closely with City Council and the Administration to address and concerns that may arise. The bill that was introduced at the end of January is still in committee.

Chief Spencer clarified that the HOME Program Legislation has to do with the \$1.2 Million to assist with the 8th Street and 1st Street multifamily NSP properties. We have been unable to get that legislation out of council. The late part of January it was submitted and it was again deferred yesterday in both committees.

Chair Dunn inquired there were any spending deadline in regard to this legislation?

Chair Spencer stated that the bigger issue with

	<p>this legislation is that HUD reiterates in this report it constant concern that we are not spending program income according to their requirements and the US Treasury requirements. So when legislation that is held up this long impact the spend down of the program income. So there are a number of issues associated with the appropriation of the \$1.2 million. Not to mention that we have the extension of the NSP dollars through the first week of August.</p> <p>Chair Dunn reiterated that we need to be kept informed of these situations and can assist staff as an advocate on these issues.</p> <p><u>Universal Application - LaCree Carswell</u></p> <p>Ms. Carswell informed the commission that she and her staff are still working with Universal Applications and they are in the final review/approval stage. They have received 77 applications and they are currently preparing fact sheets, calculating the scores and preparing the recommendations. Ms. Carswell stated that she hopes to have this available for the commission at the next meeting.</p> <p>Ms. Carswell also informed the commission that the CDBG team has won the John A. Sasso Award for CDBG Community Week for the 6th year in a row.</p> <p>The video that was submitted for the award was showed to the commission.</p>		
--	--	--	--

II. Action Items			
III. New Business			
IV. Unfinished Business	None		N/A

Public Comments:

Adjournment - *The meeting was adjourned at 4:56 p.m.*

THE DATE FOR THE NEXT MEETING, JULY 16, 2014, WILL BE NOTICED.

CERTIFICATION

Recorded and Transcribed by:

Rosemary Wesolowski

Submitted by:

Secretary (N/A)

Approved by:

Ajani Dunn, Chair