

COUNCIL ON HOUSING
Public Session
Luther Towers Building I
Dover, Delaware
January 14, 2015

Motions

- Approval of the December 10, 2014 Minutes.
- Recommendation of approval to the Director for Resolution No. 500 – The Flats, Phase I.

Action Items

- Ms. Gibson will assist the Housing Policy committee in preparing their remarks for the JFC hearing.
- Ms. Eliason to email to Mr. White:
 - A .pdf of the maps of the three designated Downtown Development Districts.
 - Information regarding the Market Street Village project appraisal.

Important Dates

- February 11 - next Council meeting, Luther Towers.

Mr. Peters, Chair, called to order the public session of the Council on Housing at 2:05 p.m. on January 14, 2015. In addition to Mr. Peters, the following Council members were present:

Francis Julian	Ruth Sokolowski
Connie Louder	Vincent White
Corrine Massey	Norma Zumsteg
Donna Mitchell	

Hugh Leahy, Council member, is on a medical leave of absence for approximately the next five months.

Also attending:

Lynda Blythe, Administrative Specialist III, DSHA
Susan Eliason, Director of Housing Development, DSHA
Marlena Gibson, Director of Policy and Planning, DSAH
Karen Horton, Principal Planner, DSHA

Guests present:

Vernon Green, The Todmorden Foundation
Rod Lambert, The Todmorden Foundation
Jim Peffley, Delaware Community Investment Corporation
Ian Rawhauser, Housing Development Corporation MidAtlantic
Michael Skipper, WSFS Bank

APPROVAL OF MINUTES

Ms. Sokolowski moved, and Mr. Julian seconded, that the Minutes of December 10, 2014 be approved as written. The motion was passed unanimously.

DSHA REPORT – Susan Eliason

- **Project Construction Closings**
 - One 9% and three 4% project deals closed in December.
 - 300 additional affordable housing units have been added through 4% deals.
 - A Newark rehab project is anticipated to close in March 2015.

- **JFC Budget Hearing/Bond Bill Hearing**
 - Scheduled for Tuesday, February 10, 2015 at 2:30 p.m. in Legislative Hall.
 - The Bond Bill hearing will be held Thursday, March 5, 2015 at 2:30 p.m. also in Legislative Hall.
 - Ms. Gibson will assist the Housing Policy Committee in preparing their remarks for the JFC hearing.

- **Downtown Development Districts (DDD)**
 - Dover, Wilmington, and Seaford were designated as the first three DDDs.
 - DSHA will launch the grant program, which will be administered by DSHA's Housing Development section, on January 20, 2015.
 - Two fund set-asides, one for small projects with an investment of less than \$250,000, and another for investments over \$250,000, have been established.
 - Small projects may apply at any time; large project applications must be submitted to DSHA in Dover by 3:00 p.m. March 20, 2015.

- **Strong Neighborhoods Housing Fund**
 - Program established with the \$2.7 million JPMorgan Chase settlement received.
 - The application was released November 21, 2014.
 - Completed applications were due January 2, 2015.
 - Seven applications, totaling \$8.3 million, were received.
 - A meeting will be held Tuesday, January 20th, at the Buena Vista Conference Center, with some of the applicants to discuss the application process, DSHA priorities, and seek suggestions for future rounds.
 - A review panel will meet January 27th to review the applications. Panel participants will include Ms. Mitchell, Department of Justice employees, and members of the planning community.

- **National Housing Trust Fund**

- Fund was created to increase and preserve the supply of affordable housing for extremely low income households.
- Established as a block grant to the states, District of Columbia, Puerto Rico, and U.S. territories.
- Allocation of funds, from Fannie Mae and Freddie Mac, will begin March 2016.
- DSHA will develop a plan on how to best administer the grant.
- A DSHA staff member will attend an upcoming Council meeting to discuss future funding.

COMMITTEE REPORTS

OPERATIONS – No report per Ms. Louder.

HOUSING POLICY – Mr. Peters

Mr. White will join this committee.

COMMUNICATIONS – No report per Ms. Sokolowski.

LOAN REVIEW – Ms. Mitchell

The committee met January 5th and reviewed the funding request from The Flats, Phase 1. After due discussion, it is the recommendation of the committee that the following request be considered by the Council for recommending approval to the DSHA Director:

- The Todmorden Foundation, on behalf of The Flats Phase I, L.P. – Resolution No. 500. Ms. Sokolowski moved to forward recommendation of approval to the DSHA Director. Ms. Zumsteg seconded the motion which was passed with 6 yes votes and one abstention by Mr. Julian due to his association with the Todmorden Foundation.

DOWNTOWN DEVELOPMENT DISTRICTS Presentation – Karen Horton

Ms. Horton gave a PowerPoint presentation (copy attached) of this new program, which DSHA will be administering, by highlighting its various aspects:

- The purpose is to leverage State resources to a limited number of designation areas to:
 - spur private investments
 - improve commercial vitality
 - build a stable community of long-term residents
- State and local incentives will be offered to investors who invest a minimum of \$25,000 for projects within the Districts.
- Funds may be used to rehabilitate, expand, or create new construction projects.
- Projects may be commercial, industrial, residential or mixed-use.
- Applicants must be deemed a Qualified District Investor.
- Funds will be restricted to Qualified Real Property Investments.
- Two set-asides have been created
 - Small projects under \$250,000.
 - \$1 million has been set aside for these grants.

- Applications will be received anytime within 45 days after the project has been completed and a Certificate of Occupancy is included.
- DSHA will verify the information is accurate and work is compliant with the program.
- Funds will be distributed within 60 days after receipt of application.
- Large projects over \$250,000.
 - \$5,650,000 has been set aside for these grants.
 - Applications will be accepted only once a year and must meet threshold criteria.
 - A reservation for funds will be allocated prior to the beginning of the project to assure investors the projects will be funded once successfully completed.
 - Fund requests are due within 45 days of the final project being placed in service.
 - Request must include an independent CPA Attestation of investments.
 - DSHA will conduct a compliance review.
 - Funds will be disbursed within 60 days of receipt of request.
 - Grant timeline – approximate
 - FY15
 - January 20 – Applications go live
 - Spring – Reservation deadline
 - FY16 and future years
 - September 1 – Reservation deadline
 - November 1 – Reservations announced
- The designated District maps will be posted on DSHA’s website.

OTHER BUSINESS – OLD/NEW

Council asked that future DSHA reports include staff reports on conditions of funding prior to meeting on the projects.

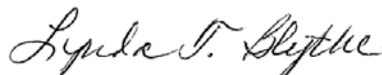
SCHEDLING OF NEXT MEETING

The next meeting will be held on February 11, 2015, at 2:00 p.m. at Luther Towers I, in Dover, DE.

ADJOURNMENT

Upon motion made by Mr. Julian the meeting was adjourned at 3:20 p.m.

Respectfully submitted,



Lynda T. Blythe

Note: Copies of materials referenced as “attached” in these Minutes are available upon request.