

## COUNCIL ON HOUSING

Public Session  
Huling Cove  
Lewes, DE  
April 13, 2016

### **Motions**

- Approval of February 10, 2016 Minutes
- Recommendation of approval to the Director for Resolution No. 535 – Meadowbridge Apartments.
- Recommendation of approval to the Director for Resolution No. 536 – The Flats, Phase II

### **Important Dates**

- May 11, 2016 – next Council meeting – North Lake Village, Middletown

Mr. Peters, Chair, called to order the public session of the Council on Housing at 2:07 p.m. on April 13, 2016. In addition to Mr. Peters, the following Council members were present:

Robert Harra	Donna Mitchell
Connie Harrington (via phone)	Ruth Sokolowski
Francis Julian	

Vincent White, Norman Zumsteg, Hugh Leahy and Corrine Massey were absent and excused from the meeting.

Also attending:

Susan Eliason, Director of Housing Development, DSHA  
Marlena Gibson, Director of Policy and Planning, DSHA  
Shanná Alicea, Administrative Specialist III, DSHA

Guests present:

Rod Lambert, Todmorden Foundation & Woodlawn Trustee  
Mimi Rayl, Housing Development Corporation Mid-Atlantic  
Larry DiSabatino, DiSabatino Construction Company

### **APPROVAL OF MINUTES**

Mr. Julian moved, and Ms. Sokolowski seconded, that the Minutes of February 10, 2016 be approved as written. The motion was passed unanimously.

## **DSHA REPORT** – Marlena Gibson and Susan Eliason

### • **2016 Budget**

- 2016 JFC meeting was held on February 16, 2016.
- Bond Bill committee meeting will be on April 28, 2016
- Continue to engage with the Controller General’s office on the proposal around the Bank of America settlement.
- JFC meeting held on March 17, 2016 which Anas attended. At this meeting they voted to approve a proposal that included about \$11 million in funding for DSHA-administered programs which include Strong Neighborhood Housing Fund, DEMAP, a new post-foreclosure Financial Coaching program, SRAP, and a small allocation for a new vacant property maintenance program.
- In February DSHA worked with the Wilmington Housing Partnership to host a release event for the Wilmington Market Value Analysis presentation. This is important to DSHA because it will be integrated into the geographic targeting for the tax credit program and also for the HDF homeownership grants coming up this year.
- Homebuyer Fair will be held on April 16, 700 advance registrations.
- National Housing Trust Fund, a new HUD source of funding, coming to DSHA in the amount of \$3 million. This money is to target primary rental housing for very low income people.
  - a. DSHA held a public meeting to discuss how to best use these funds. A draft allocation plan will be developed based on information from this meeting.
  - b. The draft allocation plan will be going out for a 30-day public comment period.
- Annual update to the HDF funding round. Stakeholder meeting was held on April 6<sup>th</sup> and was split into 2 sections - Housing Support and Homeownership Production.
  - a. Housing support: A proposal to change the Rapid Rehousing and Homelessness Prevention funding structure similar to the Housing Counseling structure where DSHA comes to the COH asking for funding that is then distributed among the participants without having to come with 5 different loan requests.
  - b. Emergency Repairs: removed from the Homeownership Preservation Set Aside and offered as a Request for Proposal (RFP) to applicants. Programs will need to address statewide needs and it is anticipated that more than one recipient could be funded. This program will be only offered to nonprofit agencies.
  - c. The Owner Occupied Rehab funding will be removed from the Homeownership Preservation program and be coordinated with the Strong Neighborhood Housing Fund round in fall 2016.
  - d. No energy and accessibility grants will be offered because the demand has been low.

### c. **Downtown Development Districts**

- Central Delaware Habitat of Humanity has built 5 new homes on Kirkwood Street in Dover, some of which are receiving DDD funding.
- On March 16 at DEDO’s Revitalizing Downtown Conference, the Governor announced that the Office of State Planning is accepting applications from other municipalities to acquire DDD designation. Applications are due June 1<sup>st</sup>.

- April 18<sup>th</sup> the owners of Tonic Bar and Grille, which is part of Wilmington DDD expansion area, were presented with a grant rebate.
- DSHA is accepting application until May 16<sup>th</sup> for large projects with the remaining FY16 balance of the DDD appropriations of around \$4 million.
- Request for small projects are now coming in.
- Ad was and will be placed in Out and About for the next 3 months to try to reach more small business projects in Wilmington.
- Karen Horton-DSHA participates in the counties events to reach out to prospective investors interested in opening up a small business.
- Penny Pierson-DSHA attending meeting with State Planning for jurisdictions who want to apply to acquire a designation. She will help explain the program.
- Last week the City of Dover sponsored 3 workshops to talk about the incentives they are offering and generate some interest.
- In May DENAHRO will be having their annual conference and will highlight the DDD.

## **COMMITTEE REPORTS**

### **LOAN REVIEW** - Ms. Mitchell

The committee met on April 4, 2016 and reviewed two HDF grant request.

It is the recommendation of the committee, after due discussion, that the following requests be considered by the Council for recommending approval to the DSHA Director:

- Meadowbridge Apartments – Seaford. Mr. Peters asked for a motion on Resolution #535 – Meadowbridge Apartments. Ms. Sokolowski moved and Mr. Julian seconded. The motion was approved and passed unanimously.

Mr. Peter inquired into the difference of what was approved last year as opposed to this year. Ms. Eliason gave the following explanation:

- Construction cost went up about \$400,000:
    - a. City of Seaford has a requirement that each unit has to have its own storage unit; it has to be configured in a certain way.
    - b. The City of Seaford required an upgraded sprinkler system than what DSHA required.
  - DCIC's loan went down by about \$300,000 which was offset by the equity going up: DCIC mortgage went down because of the changes to the underwriting criteria and what they could lend based on the appraisal and their debt service coverage.
  - DSHA added some HDF funding.
  - RD rolled mortgage went down because they have been making their mortgage payments over the last year. The mortgage balance went from around \$200,000 last year to \$21,409 now.
- The Flats, Phase II - Wilmington. Mr. Peters asked for a motion on Resolution #536 The Flats, Phase II. Mr. Harra moved and Ms. Sokolowski seconded. The motion was passed

with five yes and one abstention. Mr. Julian abstained due to his business relationship with the parties.

Following the vote, Ms. Sokolowski questioned why there were different rent rates. Ms. Eliason replied the rents are based on both the different square footages of the units, and the number of utility allowances for each unit.

### HOUSING POLICY – Marlena Gibson

In Mr. Leahy's absence, Ms. Gibson reported on the discussions at the March 30<sup>th</sup> meeting.

Ms. Gibson and Ms. Eliason attended the meeting to discuss proposed changes to DSHA funding programs for owner-occupied rehab.

Policy & Planning and Housing Development staffs have conducted stakeholder engagement meetings with about 25 different providers statewide.

Topics covered were:

- Traditional rehab
- Energy efficiency improvements
- Weatherization
- Lead removal
- Housing Needs Assessment
- How much is being done and compared to what the needs are
- Challenges
- Improvements

This work may result in some changes to HDF, CDBG and HOME.

The Committee also reviewed information on the National Housing Trust Fund as mentioned in the DSHA report. The Policy Committee decided that the listening sessions will be best focused within the committee with individual members coming up with a topic of discussion to bring to COH for further discussion.

### COMMUNICATIONS: Ms. Sokolowski

Ms. Sokolowski, Mr. Peters and Mr. Leahy met with Governor Markell and Andrew Donnelly, the legislative liaison.

Ms. Sokolowski asked the Governor to consider diversity on COH with representation for the Latino or Asian community, as new members are appointed.

Mr. Peters stated that the Governor suggested COH meet with the candidates for the Governor to discuss affordable housing issues and priorities. Upon reflection, Mr. Peters said he did not think this would be appropriate before the election, but offered to meet with the Governor-elect during the transition.

- Council should prepare itself to meet with the Governor-elect to discuss what council believes are priority issues of affordable housing in the state of Delaware.

Mr. Peters has given the Policy Committee the task of coming up with the topics and the Communication Committee with a presentation for the newly elected Governor to show specifically what programs the new administration could support.

This will be due and presented to COH at the August council meeting for review. The presentation to the Governor-elect will be scheduled after the election results are ratified.

Mr. Peters mentioned he has become somewhat involved with the Sussex County Housing Group by attending some of its meetings. Mr. Peters is waiting on list of items from the County on some the different projects they have going on. Once obtained Mr. Peters will present to COH.

**OPERATIONS:**

Ms. Harrington reported in Mr. White's absence that there is nothing to report.

**OLD / NEW BUSINESS**

None

**SCHEDULING OF NEXT MEETING**

The next meeting will be held on Wednesday, May 11, 2016, at North Lake Village, Middletown, DE at 2:00 p.m.

**ADJOURNMENT**

There being no further business to come before the Council, upon motion by Mr. Peters, the meeting was adjourned at 3:15 p.m.

Respectfully submitted,



Shanná L. Alicea

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