



**NORTHEAST TENNESSEE/VIRGINIA
HOME CONSORTIUM
BOARD MEETING MINUTES (Conducted Electronically)
January 12, 2021**

Board Members Present:

- Stephen Freemon, Proxy for Johnson City, TN
- Chad Keen, Board Chairman, Proxy for Bristol, TN
- Jessica McMurray, Proxy for Kingsport, TN
- Ambre Torbett, Proxy for Sullivan County, TN
- Ellen Tolton, Proxy for Bristol, VA
- Irene Wells, Mayor, Bluff City, TN

Board Members Absent:

- Sherry Greene, Proxy for Washington County, TN

Others Present:

- Bill Forrester, FTDD
- Rene` Mann, FTDD
- Tim Beavers, Bristol, TN
- Cherith Young, Bristol, TN
- Christina Blevins, Bristol, TN

I. Call to Order

The Northeast Tennessee / Virginia HOME Consortium meeting was called to order on January 12, 2021 at 10:03 a.m., by electronic meeting by Chairman Keen.

Christina Blevins called the roll and those present/absent are noted above.

II. Explanation and Approval of Conducting the Meeting Electronically

Governor Lee's Executive Order No. 16 (which has been extended through February 27, 2021 by Executive Order Number 71) suspended the provisions of the Open Meetings Act to the extent necessary to allow governing bodies to conduct their essential business by electronic means, rather than being required to gather a quorum of members physically in the same location. One condition of meeting electronically is that if a member of this Board or Staff is attending by audio only, they are asked to identify themselves by name and position when they speak.

In order to proceed with meeting electronically, the Governing body should make a determination that meeting electronically is necessary to protect the health, safety and welfare of Tennesseans in light of the COVID-19 outbreak. At this time it would be appropriate for the members to discuss whether they believe that meeting electronically is necessary, and vote accordingly. If the members did not agree that meeting electronically is appropriate at this time, then this meeting should be adjourned until such time as the members can meet in person.

The approval of the electronic meeting was put to a vote and all members present voted unanimously to approve the electronic format of the meeting. A quorum was present, and the electronic meeting was approved to continue.

III. Approval of Minutes – October 13, 2020

Chairman Keen asked the group for any amendments or changes to the October 13, 2020, meeting minutes. Seeing none, Ellen Tolton made a motion to approve the minutes as presented from the October 13, 2020 meeting. Chairman Keen seconded the motion. Christina Blevins called roll, all present were in favor.

IV. FTDD Status of Projects – Bill Forrester & Rene` Mann

Bill Forrester stating that the First Tennessee Development District appreciates working with the City of Bristol and Consortium. Rene` Mann presented the updated HOME activity report that itemized available funding balances for each community as of December 31, 2020, she has also added a column for committed funds.

Homeownership: Rene` Mann stated that the Consortium has concluded one new homeownership project this period and received multiple payoffs on previous projects.

Rehab/Reconstruction: Rene` Mann stated that the Consortium has closed out one project with one underway in Bluff City, and three in Johnson City. Several Environmental Reviews are wrapping up for other communities and those projects will begin soon. The waitlist for these projects has grown substantially.

CHDO / Partner Projects: Rene` Mann stated that FTDD is currently working on finalizing the contract with Eastern Eight. The Environmental Assessment for the potential Eastern Eight project has been submitted to HUD and awaiting approval before the contracts can be signed. Mrs. Mann added that People Incorporated has given a potential project location and the environmental review/assessment will begin once more information is obtained.

Ellen Tolton asked Mrs. Mann about marketing of the homeownership program. Mrs. Mann responded that our homeownership program is marketed through word of mouth and our local lenders are familiar with the program. Mrs. Tolton said she wanted to make sure she didn't need to be doing anything like promoting on the City's website, as homeownership is a top priority for Bristol, VA as noted in the Consolidated Plan. Bill Forester encouraged Mrs. Tolton to include the homeownership information on the City's website.

Jessica McMurray asked Rene` Mann if there would be an application round for the 2020 CHDO set-aside funding. Mrs. Mann responded that there would be set-aside funding. Christina Blevins added that the Consortium is working to allocate prior year CHDO set-aside money first then the 2020 funding.

Ambre Torbett asked Rene` Mann or Bill Forester to explain subordination requests. Mrs. Mann responded that with a homeownership or a rehabilitation project where the Consortium's Deed of Trust is still in the compliance period, grantees may be looking to refinance or take out a loan on their home. The grantee could request that the Consortium give permission for them to borrow additional money or refinancing or home repairs. If the Consortium did agree to subordinate, our Deed of Trust could fall from the first position into a second position. The Consortium has

criteria/guidelines in our Policy & Procedures manual that the administrative agents follow when a grantee is asking for a subordination.

Other: None.

V. Old Business

People Inc. Project: Christina Blevins noted that in our last quarterly Board meeting the Board approved moving forward with consideration of the presented People Inc. potential CHDO set-aside project located at 616 Lawrence Ave., Bristol, VA. Unfortunately, additional due diligence was needed. When discussions initially started in the fall of 2019, we knew HUD required the HOME Consortium to utilize 15% of its annual allocation to a Community Housing Development Organization (CHDO). The 2019 Consortium's 15% award was \$152,957.10. People Inc. proposed project budget submitted for the property located at 616 Lawrence Avenue, included acquisition costs of \$160,000, with property improvements of \$26,196 and closing costs of \$5,000, bringing it to a total project cost of \$191,196. CHDO funds in the amount of \$152,957 were budgeted towards this endeavor; however, due to the fact that subsidy limits and homeownership value were not in line with Federal regulations, the Consortium was unable to approve this particular property for consideration. Christina Blevins added that the board increased the maximum subsidy limit for an existing 3-bedroom home to \$149,761 and according to the Kingsport-Bristol-Bristol, TN-VA area homeownership sales price limits / after rehabilitation value of a single-unit home cannot be more than \$153,000. The property assessment for 616 Lawrence Ave, would be well over the limits approved by HUD. Christina Blevins added that a formal letter via email was send to People Inc. regarding the property. People Inc. is now considering a new potential project for the board to consider at Massachusetts Avenue, and is anticipating eligibility of federal funding assistance and more to come.

HUD 2020-2024 Consolidated Plan: Christina Blevins stated that the Consolidated Plan has been submitted and HUD has approved. New funding allocations have already been added in the quarterly report for each community.

2019 Consolidated Annual Performance and Evaluation Report (CAPER): Christina Blevins stated that the CAPER has been finalized, with a few corrections necessary. Kingsport and Johnson City are each working on their CAPER's and the local field office has been a great assistance to us with the different timelines. The CAPER has a 15-day public comment period, running through January 26, 2021 and a public hearing will be held tonight at the CDAC meeting. A link to the CAPER was emailed to each board member, please reach out if you have additional comments or questions.

VI. New Business

Stamey / BTES – Board to Ratify Decision: Christina Blevins noted that the only new business is to ratify a decision that was made with FTDD last fall. Randy Stamey, 1424 5th Street Ext, Bristol, TN is a BTES customer. Mr. Stamey received down payment assistance from the Consortium back in 2015 of \$6,685, he is now in the 5th year of a 10 year compliance period. Mr. Stamey applied for a small loan with BTES for Storm Doors in the amount of \$1,248. The Consortium's Deed of Trust says secondary financing is prohibited and for BTES to move

forward with the loan; they would need written consent from the Consortium. Christina Blevins has spoken with City Attorney Danielle Smith regarding Mr. Stamey's situation. Mrs. Smith stated that BTES is not asking for subornation for the HOME Consortium's Deed of Trust, so it would seem like there's very little (if any) risk to consenting to this request. But, unfortunately there is nothing that really addresses who gets to make that decision in a case like this. If the administrative agent provides consent to BTES, at a minimum, be sure to notify the board so they can ratify the decision. Mayor Irene Wells made a motion to ratify the decision made to approve Mr. Stamey's request. Ambre Torbett seconded the motion. Christina Blevins called roll, all present were in favor.

VII. Announcements & Adjournment

Chairman Keen asked if there were any announcements or updates.

Christina Blevins mentioned that ARCH will be doing an abbreviated Point-in-Time (PIT) Count for the Homeless on January 27/28, 2021.

Chairman Keen noted that the Bristol, TN City Council will be learning more about the homeless in our community as this does affect everyone in the Consortium area.

Next Board Meeting: Chairman Keen announced the next Board meeting is scheduled for April 13, 2021 at 10am.

There being no further business, the meeting was adjourned at 10:35 a.m.



Christina Blevins, Recorder



Chad Keen, Chairman