



**NORTHEAST TENNESSEE/VIRGINIA
HOME CONSORTIUM
BOARD MEETING MINUTES
April 10, 2018**

Board Members Present:

Michelle Denise, Bristol, TN
Adam Williams, Proxy for Johnson City, TN
Mark Haga, Proxy for Kingsport, TN
Ambre Torbett, Proxy for Sullivan County, TN
Ellen Tolton, Proxy for Bristol, VA
Irene Wells, Bluff City, TN

Board Members Absent:

Sherry Greene, Proxy for Washington County, TN

Others Present:

Bill Forrester, FTDD
Donna Lewis, FTDD
Brian Rose, Bristol, TN
Christina Blevins, Bristol, TN

I. Call to Order

The Northeast Tennessee/Virginia Home Consortium Board Meeting was called to order by Chairman Michelle Denise at 10:00 a.m. on April 10, 2018, in the Bristol, Tennessee City Annex Building.

II. Approval of Minutes

Chairman Denise asked for any changes or corrections to the January 9, 2018 meeting minutes. No changes or additions were needed. Ellen Tolton made a motion to approve the minutes of the January 9, 2018, meeting as presented; seconded by Ambre Torbett; motion carried unanimously.

III. FTDD Status of Projects – Donna Lewis

Homeownership: Donna Lewis provided a current HOME activity report that itemized available funding for each community as of March 31, 2018. Donna reviewed the pending and recently closed projects. Donna noted that Homeownership has picked up this quarter and that Johnson City is slower than the other communities as she's not sure why.

Rehab/Reconstruction: Donna Lewis reviewed current available funding for rehab/reconstruction projects in each community. Donna noted several projects underway including a rehab and reconstruction in Johnson City, and compiling a list for Washington County and Bristol, VA for Bill Masoner to review. Donna added that the environmental reviews need to take place first, so it will still be a while before contracts get underway.

Partner Projects: Donna Lewis stated that Holston Habitat is closing out their final homeownership project this week and that she spoke with Will Crumley of Appalachian Service Project (ASP) and they too are finishing up with the last home in Johnson City. Donna stated that she expects final paperwork from both partner projects soon.

Community Housing Development Organization (CHDO) Horizon Monitoring: Donna Lewis stated that staff did a monitoring visit with Horizon CDC in February 2018 that went fairly well. Donna added that in all of Horizon's past projects with the HOME Consortium, they have included utilities in the rental rate; however, with the last CHDO project on Christus Drive, they are not paying the utilities for the renters. Donna noted that Horizon purchased the Christus Drive project with renters already paying the utilities and they did not change the rent rates after the purchase. Donna added that since staff found out that Horizon wasn't including utilities in the rent, the Consortium as the Participating Jurisdiction (PJ) would now be responsible to set said utility allowances per HUD guidelines. Once the utility allowance is set, Horizon must adhere to the set rates for any project where they are not paying the renter utilities. The Home Consortium currently does not have allowances and upon review of what was required to set said utilities allowance, staff has gathered utility allowance information from Bristol Housing and the THDA allowance that was compiled for Sullivan County. Staff determined that it would be a good practice to average the Bristol Housing and THDA numbers to develop what is being presented to the board.

Donna asked the group to review the proposed *Allowances for Tenant Furnished Utilities and Other Services rate for Sullivan County* handout in their packet as this is what is being presented to the board for discussion today. Once an allowance rate is approved then this will establish the Sullivan County utility allowances from this point forward.

Discussion from the Board on renter affordability, HOME rules and specific CHDO requirements.

Mark Haga made a motion to approve the 2018 HOME rental utility allowance schedule as presented by staff; seconded by Ambre Torbett; motion carried unanimously.

Donna stated that she would compile a Washington County Allowance for the HOME Consortium also.

Other: Mayor Wells mentioned a potential family in Bluff City that may need a rehab/restructuring. Christina asked Mayor Wells to have the family get in touch with Donna and start the application process.

IV. Old Business

CHDO Application & Recommendation: Christina Blevins stated that in January this board discussed moving forward with the formal CHDO application process. FTDD did reach out and contact three CHDO's in our region including Horizon CDC, Eastern Eight CDC and People Incorporated. Christina added that the Consortium only received one project application back from Eastern Eight CDC. Eastern Eight's proposal was for a new construction project on Painter Road in Washington County, TN. Christina also noted that the Consortium hosted a called Executive Committee meeting on March 29, 2018, to discuss what to recommend to the board today. Christina added that after the Executive Committee's discussion, it was recommended to move forward with the Eastern Eight project as submitted for the 2017-18 year in the amount of

\$96,510.44. Christina stated she emailed the full application to the board for review before this meeting.

Ellen Tolton made a motion to approve the application presented by Eastern Eight CDC for the 2017-18 CHDO project; seconded by Adam Williams; motion carried unanimously.

V. New Business

Transfer of Funds Requests: Christina Blevins stated that Kingsport would like to request a transfer of \$20,000.00 from Rehab to Homeownership, as they have several homeownerships in the works. Ambre Torbett moved the transfer be approved as presented; seconded by Ellen Tolten; motion passed.

Draft 2018-19 Action Plan: Christina Blevins discussed the allocation %'s for each community; CHDO is 15% and Admin is 10% of the total grant then Bristol, TN 11%, Bristol, VA 9%, Kingsport 23%, Johnson City 27%, Sullivan Co 17%, Washington Co 13%, and Bluff City a flat \$10,000.00. Christina noted that those percentages have been used the past several years and when HUD publishes allocations she will be in touch with each community to determine where they wish to use their funding. Christina added that Bristol, TN will have two public meetings and public comments periods for the HOME Consortium before the final Action Plan is submitted to HUD. Christina stated she previously emailed the draft plan out for review and the draft has allocation numbers from last year until the final allocation amount is published and she can then update the Action Plan.

Mark Haga made a motion to approve the 2018-19 Annual Action Plan with updated funding allocations; seconded by Adam Williams; motion carried unanimously.

Updating Policy & Procedures / Deed of Trust: Christina Blevins stated that the HOME Consortium Policy & Procedures manual may need to be updated. Christina added that in our current policies under "Terms of Repayment of HOME Investment", bullet point #5 states that *The death of the Borrower or, if there be more than one person designated as Borrower under this Promissory Note, then the death of all Borrowers.* Christina added that currently if someone is living in one of our homes and the applicant and or co-applicant pass away, the Deed of Trust is in default and would need to be paid back immediately. Christina added that she and Donna have discussed the wording and would like to present an update to the board that reads *The death of the Borrower or, if there be more than one person designated as Borrower under this Promissory Note, then the death of all Borrowers, unless ownership passes to another qualified person (s) already residing in the home.* Christina added that it's come to her attention that this board could possibly be evicting a low-income resident from a home. Christina added that she and Donna have spoken with Danielle Kiser, Bristol, TN City Attorney and she is okay with the change.

Donna Lewis told a story to the Board about a family situation that this policy could potentially hurt and displace a family member; in particular a daughter taking care of her mother. Donna stated that each community handles it a little differently.

Discussion from the board regarding displacement, Deed of Trust and probating a will.

Donna noted that our Deed of Trust for a rehab project is five years; however, our Deed of Trust for a reconstruction is fifteen years.

Brian Rose mentioned that the board should consider adding additional language to the update binding it to the HOME Policy & Procedures. Discussion from the board on appropriate language.

The death of the Borrower or, if there be more than one person designated as Borrower under this Promissory Note, then the death of all Borrowers, unless ownership passes to another qualified person (s) as defined by the HOME Policy & Procedure guidelines that is already residing in the home.

Ambre Torbett made a motion to amend the policy as highlighted with the adjustment, seconded by Ellen Tolton; motion carried unanimously.

VI. Announcements & Adjournment

Next Board Meeting: Chairman Denise announced the next Board meeting was scheduled for July 10, 2018.

ARCH Point-In-Time Homeless Count: Christina Blevins announced the annual ARCH Homeless Count that took place on January 23 & 24th is complete; however, the final count has not been released. She added that there is an ARCH meeting this afternoon at Boones Creek Church at 1:30 p.m.

There being no further business, the meeting was adjourned at 10:55 a.m.



Christina Blevins, Recorder



Michelle Denise, Chairman