



**NORTHEAST TENNESSEE/VIRGINIA  
HOME CONSORTIUM  
BOARD MEETING MINUTES  
April 12, 2022**

**Board Members Present:**

- Ellen Tolton, Proxy for Bristol, VA
- Sherry Greene, Proxy for Washington County, TN
- Preston Mitchell, Proxy for Johnson City, TN
- Jessica McMurray, Proxy for Kingsport, TN
- Ambre Torbett, Proxy for Sullivan County, TN

**Board Members Absent:**

- Mark Hutton, Board Chairman, Proxy for Bristol, TN
- Richard Bowling, Mayor, Bluff City, TN

**Others Present:**

- Bill Forrester, FTDD
- Cherith Young, Bristol, TN
- Christina Blevins, Bristol, TN

**I. Call to Order**

The Northeast Tennessee / Virginia HOME Consortium meeting was called to order on April 12, 2022 at 10:03 a.m., by Vice Chair Ellen Tolton.

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

**II. Approval of Minutes – January 11, 2022**

Ellen Tolton asked the group for any amendments or changes to the January 11, 2022, meeting minutes. Seeing none, Preston Mitchell made a motion to approve the minutes as presented from the January 11, 2022 meeting. Jessica McMurray seconded the motion. All present were in favor.

**III. FTDD Status of Projects – Bill Forrester**

**Homeownership:** Bill Forrester reviewed each community balance in homeownership for down-payment assistance. Mr. Forrester noted a Johnson City, two Kingsport and one Sullivan County down-payment assistance projects were completed and a Kingsport down-payment assistance is underway. Payoffs from Bristol, VA and Johnson City have been received.

**Rehab/Reconstruction:** Bill Forrester reviewed each community balance for Rehabilitation / Reconstruction projects and discussed the “Committed” estimated balances. Mr. Forrester stated that two Kingsport rehabs were completed and one in Washington County is underway. An upcoming Pre-bid meeting has been scheduled for a Bristol, TN reconstruction, a Johnson City Reconstruction and a Bluff City Rehab. Environmental Reviews continue moving forward.

**CHDO / Partner Projects:** Bill Forrester stated that Sherry Trent, executive director for Eastern Eight CDC will be at the meeting shortly to present her applications to the Board.

**Other:** Bill Forrester stated that FTDD consistently receives phone calls for help from citizens in each of the consortium communities, the waitlist continues to grow not just for the HOME program but for all programs. FTDD is seeing more “just over the limit” folks looking for assistance. Board discussion ensued on eligibility requirements and how AMI is reviewed/determined for assistance.

#### IV. Old Business

**Policy & Procedures Manual:** Christina Blevins stated she emailed the final updated Policy & Procedures draft to the Board for review with the Board reminder. Mrs. Blevins reviewed several aspects of the Policy & Procedures manual that were updated per previous Board discussion including the section on “Terms of Repayment of HOME investment” and “Terms, Conditions and Considerations for Assistance. In the current Policy & Procedures items did not match up as they should. The “Terms of Repayment of HOME Investment”, section # 5 reads “The death of the Borrower, 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 our HOME guidelines and already residing in the home. The “Terms, Conditions and Considerations for Assistance” stated that “If the property is inherited by a blood relative, repayment may be deferred for the remaining grant period as long as they maintain the home as their primary residence. Mrs. Blevins noted that staff did research and the presented Policy & Procedures those sections have been updated to state – *On the death of the property owner(s), repayment is required unless ownership passes to a legal heir(s) who intends to occupy the Property as their principal residence during the remainder of the Affordability Period.*

Mrs. Blevins discussed the Homeowner Rehabilitation section on “Applicant Eligibility Requirements.” In the current Policy & Procedures that section #8 reads “The applicant must demonstrate the ability to maintain their residence in areas of ongoing maintenance and repairs, safety hazards and health/clines issues. Per the Board’s direction, that section has also been updated to state – *The applicant must demonstrate the ability to maintain their residence in accordance with local building and property maintenance codes, including those related to sanitary conditions.*

Mrs. Blevins discussed the revamped section 2, Eligibility Requirements of “Eligibility Requirements of Property to be Rehabilitated policy to now read - *The dwelling unit shall meet the following criteria:*

- 1) *A stick-built home, which is one that is constructed on the site, piece by piece; or*
- 2) *A modular building unit as defined in Tenn. Code Ann. § 68-26-103 on a permanent foundation; or*
- 3) *A Manufactured Home, defined to mean a structure built on a permanent chassis, transported to its site in one or more sections and affixed to a permanent foundation. "Manufactured home" does not include recreational vehicles. A "Permanent Foundation" must meet the guidelines of HUD Handbook 4930.3g.*

Board discussion ensued on State Law and the definition of modular (double-wide) vs. single-wide. Mrs. Blevins advised that the Consortium can help families that are on a permanent foundation. Mrs. Blevins stated that those were the big concerns from this Board to be address, she also has spoken with HUD and the City Attorney about additional changes that have been included in the presented updated manual. Multiple changes have been made for clarity and she is pleased with the draft presented today. Attachments including handouts for Fair Housing and Lead-Based Paint will continue to stay the same.

Preston Mitchell made a motion to approve the amended Northeast Tennessee/Virginia HOME Consortium Policy & Procedures manual presented. Ambre Torbett seconded the motion. All present were in favor.

**Analysis of Impediments to Fair Housing Choice (AI):** Christina Blevins stated she is still awaiting updated numbers on housing demographics from the Census Bureau, they are expected this spring. An updated AI is expected to HUD every 5 years. Mrs. Blevins added that she is working towards putting together a Fair Housing training this spring, our local East Tennessee Legal Aid office is willing to conduct the detailing, more details coming soon. April is Fair Housing Month!

## **VII. New Business**

**HUD 2022 One-Year Action Plan:** Christina Blevins stated that HUD had not released final funding allocation amounts at this time, she is expecting them in May. However, in order to continue moving forward HUD has requested that PJ's estimate numbers and continue with public hearings, meetings, and comment periods etc. Mrs. Blevins presented the draft 2022-2023 Action Plan to the Board. The figures were based on the 2021-2022 allocations. The Consolidated Plan's top 5 priorities for the Consortium included;

- Homeowner Rehabilitation
- First Time Homeownership Opportunity
- Rental Housing Opportunities
- At-risk supportive housing development / TBRA
- Single-family Housing Development.

Mrs. Blevins also discussed the HOME Consortia Participating Members Percentage Report as HUD does provide the percentage attributed to each member for information purposes and it is up to the individual Consortia to determine each percentage. Mrs. Blevins stated that the past several years the Board has chosen to stick with the following;

- Sullivan Co – 17%
- Washington Co – 13%
- Bluff City – Flat \$10,000
- Bristol, TN – 11%
- Bristol, VA – 9%
- Johnson City – 27%
- Kingsport – 23%

After the required 15% set-aside allocation to Community Housing Development Organization (CHDO) and 10% admin.

Mrs. Blevins stated that once she receives word on the allocation, she will then reach out to each community and ask how they wish their allocation to be split, i.e. Rehab/Reconstruction or Homeownership.

Board discussion ensued on the Federal Budget, how communities are spending their funding, efficiency, citizen participation plans and transfers.

Preston Mitchell made a motion to approve the presented staff recommendation for the 2022 Action Plan subject to final HUD allocations. Sherry Greene seconded the motion. All present were in favor.

**CHDO Funding Discussion/Applications:** Christina Blevins stated that People Inc. has declined from accepting the CHDO set-aside funding that was most recently approved for their use. Mrs. Blevins stated that funding is now back on the table. Mrs. Blevins introduced Sherry Trent, executive director of Eastern Eight Community Development Corp. located in Johnson City but servicing the full Tri-Cities. Mrs. Trent gave an Eastern 8 update, including moving offices. She invited the Board to a ground breaking on Monday for a townhome in Jonesborough, TN. Mrs. Trent stated that Eastern Eight is looking to also become a Community Development Financial Intuition (CDFI) – will focus on homeownership and recently hired Kip Parks to head up the division. Mrs. Trent presented the four new possible CHDO set-aside projects for consideration of the Board. Summary sheets for each project were handed out to the Board.

Application #1 – 221 E Myrtle Ave, Johnson City, TN (Washington County) - This proposed project is new construction of a single-family residential unit for rental. The project will target low-income clients. Funding includes \$149,761 in CHDO funds and \$26,900 in Local Government or Agency Funds and \$22,607.40 in equity for a total of \$199,268.40. They have listed \$26,900 of these funds as match due to the City of Johnson City donating the lot. A home plan has been chosen. They propose a 3 bedroom – 1 1/2 bathroom, approximately 1,100 sq. ft. home. Techniques for energy efficiency will be utilized, such as energy star products, high-efficiency plumbing fixtures, sealing the home's envelope, effective insulation and high performance windows. The house plan is suitable for lot size/setbacks. It is located in census tract 0601.0. This area has been identified by the City of Johnson City as a target area for redevelopment. This project will be a part of a larger project bringing several homes to this block. This redevelopment project is a collaborative effort between Eastern 8, ASP and Holston Habitat. An environmental assessment has been completed for this redevelopment project.

Application #2 – 706 Barger Hollow Rd, Blountville, TN (Sullivan County) - This proposed project is new construction of a single-family residential unit for homeownership. Funding includes \$149,761 in CHDO funds and \$48,339 in Local Government or Agency Funds for a total of \$198,100.00. Eastern 8 also lists \$1,600 for construction related general costs in the amount of \$1,600 to be paid by Eastern 8. Including Eastern 8's contribution the total budget is \$199,700. A home plan has been chosen. They propose a 3 bedroom – 2 bathroom, open concept, farmhouse style home at almost 1,311 sq. ft. Techniques for energy efficiency will be utilized, such as energy star products, high-efficiency plumbing fixtures, sealing the home's envelope, effective insulation and high performance windows. The house plan is suitable for lot size/setbacks. It is eligible for USDA Rural Development Loan Financing

which does not require a down payment, has affordable rates and longer terms. Eastern 8 has owned the property since 2021. It is located in one census tract, 0424.00.

Application #3 – 724 Barger Hollow Rd, Blountville, TN (Sullivan County) - This proposed project is new construction of a single-family residential unit for homeownership. Funding includes \$61,250.45 in CHDO funds and \$134,658.75 in Local Government or Agency Funds for a total of \$195,909.20. A home plan has been chosen. They propose a 3 bedroom – 2 bathroom home with a garage at almost 1,200 sq. ft. Techniques for energy efficiency will be utilized, such as energy star products, high-efficiency plumbing fixtures, sealing the home's envelope, effective insulation and high performance windows. The house plan is suitable for lot size/setbacks. It is eligible for USDA Rural Development Loan Financing which does not require a down payment, has affordable rates and longer terms. Eastern 8 has owned the property since 2021. It is located in one census tract, 0424.00.

Application #4 – 738 Berger Hollow Rd, Blountville, TN (Sullivan County) - This proposed project is new construction of a single-family residential unit for homeownership. Funding includes \$149,761 in CHDO funds and \$48,339 in Local Government or Agency Funds for a total of \$198,100.00. Eastern 8 also lists \$1,600 for construction related general costs in the amount of \$1,600 to be paid by Eastern 8. Including Eastern 8's contribution the total budget is \$199,700. A home plan has been chosen. They propose a 3 bedroom – 2 bathroom home at almost 1,311 sq. ft. Techniques for energy efficiency will be utilized, such as energy star products, high-efficiency plumbing fixtures, sealing the home's envelope, effective insulation and high performance windows. The house plan is suitable for lot size/setbacks. It is eligible for USDA Rural Development Loan Financing which does not require a down payment, has affordable rates and longer terms. Eastern 8 has owned the property since 2021. It is located in one census tract, 0424.00.

Mrs. Blevins stated that a commitment letter email for a construction line of credit from Citizen's Bank was attached, it reflects \$950,000 for construction for up to 6 houses for Eastern Eight. These four projects would use the leftover 2018 funding, all the 2019, 2020 and 2021 CHDO set-aside dollars.

Mrs. Trent thanked the Board for their support. Group discussion ensued on CHDO match, Rural Development 502 loans, and the housing market in general. The Board complimented Eastern Eight for the community development work they do in the region.

Jessica McMurray made a motion to approve all four applications/CHDO projects as presented for use of available HOME CHDO set-aside funding. Ambre Torbett seconded the motion. All present were in favor.

**April is Fair Housing Month:** Christina Blevins stated that April is Fair Housing Month and asked the Board to email her any Fair Housing activities they are planning for April. Bristol, TN is working on a Proclamation at City Council.

**VIII. Announcements & Adjournment**

Preston Mitchell announced that Johnson City is moving Community Development back under the City from the Housing Authority. The City is excited about the change and the Community Development Coordinator position opened in March. This change will be effective July 1<sup>st</sup>.

**Next Board Meeting:** Ellen Tolton announced the next Board meeting is scheduled for July 12, 2022 at 10am.

There being no further business, the meeting was adjourned at 11:30 a.m.

  
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Christina Blevins, Recorder

  
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Ellen Tolton, Vice Chair