

HOUSING ADVISORY COMMITTEE

Meeting Notes
July 19, 2007

Present:

Charlie Armstrong
Art Lichtenberger
Dave Norris
Cheri Lewis
Ron White
Overton McGehee
Theresa Tapscott
Angela Vanderhoof
Mike Heckman
Joy Johnson

Absent:

Reed Banks
Vicki Hawes
Carol Clarke
Noah Schwartz
Peter Loach
Natasha Sienitsky

Guests:

Mark Watson - PHA
Karen Waters
Tom Twomey - IMPACT
Edith Good - IMPACT

Staff:

Amy Kilroy
Jim Tolbert

Summary of Meeting Notes:

- Meeting was called to order at 12:10, and Amy began by giving an update of several announcements that have gone on since the last meeting:
 1. Housing Initiatives Fund proposals made it through the first reading on City Council's agenda. Second and final reading will be on August 6, 2007.
 2. Ron gave an overview of the recent joint City/County meeting involving local leaders and members from both City and County Housing Committees:
 - City and County are considering forming a joint City/County Housing Task Force to work on identifying needs and serve as an educational tool for elected and appointed officials.
 - Body will consist of members of staff, local and elected officials, and members of each existing Housing Committee.
 - County would like to know more about what the direction of the group is – create a formal charge for the new Task Force
 - IMPACT originally declined the invitation to have a seat on the Task Force but is now reconsidering that decision
 - Suggestions were made as to which members of committees etc. would be serving on the Task Force – Karen and Joy asked to make sure our low/mod population is represented.
 - If approved by leaders of both City and County, staff anticipates the group would get underway in the fall of this year.

3. Jim gave an overview and update on the status of the Dogwood Housing proposal mentioned at our last meeting:
 - Mr. Keith Woodard is interested in purchasing the units currently for sale by Dogwood Housing.
 - Asking the City for an \$850,000 loan with which to help him complete the deal. Loan would be a five-year, zero interest, balloon loan.
 - Currently the length for period of affordability is set such that units will remain affordable for at least as long as city dollars are invested in the properties.
 - Approximately 55 residential units in the package.
 - All units will be inspected and upgraded to Section 8 quality standards, and city will retain a First Right of Refusal to buy back units should they become available for sale.
 - Proposal will go to City Council on August 6th.
 - Questions raised in response included the following:
 - a. Is there a precedent for giving zero interest loans to private developers in the city? Have we done it before?
 - b. Are there other purchase options than the one currently being presented? (multiple organizations around the table mentioned having looked at purchasing these properties, none having been successful at making the numbers work)
 - c. Can we extend the mandated period of affordability on these units to both protect affordable housing stock as well as city's investment of funds? (this question was asked and reiterated by multiple people at the table)
 - d. Can the City put additional strings on the money to protect its investment?
 - e. Can the project be put out to bid for other developers etc. to make a competitive offer towards?
 - f. Has the debt service ratio limit been set? Will VHDA standards be used?
 - g. Can the City set a maximum option price in the Right of First Refusal deal? Could we set up an appreciation index?
 - h. Will period of longer-term affordability be incorporated into the Deed of Trust?
 - Discussion of remaining CAHIP funds, logistics/regulations etc.
 - Review of where things stand with money already been allocated for use, Dogwood proposal pending – approximately \$1 million dollars remaining to spend
 - Dave reviewed his original CAHIP proposal from the fall including the two categories where funding remains: Homeownership and Special Needs Housing
 - Definition of what happens within each of those pots of money has been left broad and vague to solicit a wide range of applications
 - Subcommittee of HAC will work to help flush out criteria, application guidelines, and logistics – will work with CDBG Task Force since they will be reviewing the applications once they are due.
 - Overton mentioned that we would need a definition/term for whom this money could be used to serve – living in city, living and/or working in city, or any university employees were each given as examples

- Joy would like to see meetings moved into community spaces so that more neighbors can attend rather than at city hall
- Subcommittee will consist of Holly Hatcher from the Community Foundation, Karen Waters from QCC, Theresa Tapscott from AHIP, Overton McGehee from Habitat, Peter Loach/Mark Watson from PHA, and Jennifer McKeever from the CDBG Task Force. Each of these members volunteered to be part of the subcommittee.
- Other Business –
 1. Joy has been doing research into having a guest speaker come talk to us about mixed-income projects that have been successful in North Carolina. Ideally, it would be great to have folks take a trip down to see the projects, but in the meantime, we will work to get a speaker to come to Charlottesville to present to HAC group (and any other interested) – more discussion about this item can take place on August agenda
 2. Update from Joy also about changes in HUD guidelines which will affect the Housing Authority and our public housing sites. More information to follow as to what those changes entail.
 3. City Council will be holding a work session on August 1st to discuss tax deferral and whether or not the City will establish a new program.

Meeting adjourned at 1:25.

- **Next *REGULAR* meeting date is set for: Thursday, August 16th @ 12:00** (Location: Basement Conference Room of City Hall)