

COUNCIL ON HOUSING
Public Session
The Duncan Center
Dover, Delaware
June 11, 2008

ACTION ITEMS

- **Proposed Revisions to Council on Housing By-Laws**
- **Nominations for Council on Housing Officers**

On June 11, 2008 Roseann Harkins, Chairperson, called to order the Public Session of the Council on Housing at 2:10 p.m. In addition to Ms. Harkins, the following Council members were present:

Russell Huxtable
Hugh Leahy
Connie Louder
Connie McCarthy
Bill Pearson
Ruth Sokolowski
John Walker
Norma Zumsteg

The following Council member was absent and excused from the meeting:

Vincent White

The following persons also attended the meeting:

Thomas McGonigle, Esq., Wolf Block Schorr & Solis-Cohen LLP
Saundra Johnson, Director, Delaware State Housing Authority (DSHA)
Tim McLaughlin, Deputy Director, DSHA
Jerry Jones, Housing Finance/Development Administrator, DSHA
Matt Heckles, Executive Assistant, DSHA
Lisa McCloskey, Housing Mortgage Finance Officer II, DSHA
Lynda Blythe, Administrative Specialist III, DSHA

Guests present:

Gina Miserendino, Delaware Housing Coalition
Mike Skipper, WSFS Bank

APPROVAL OF MINUTES

A motion was made by Mr. Walker to approve the Public Minutes of May 14, 2008 as written. Seconded by Mr. Pearson, the motion unanimously passed.

DIRECTOR'S REPORT

Ms. Johnson reported on the following:

Home Ownership and the Mortgage Meltdown Symposium

- Held June 6, 2008 at the University of Delaware.
- Attended by Council Members Harkins, Pearson, White and Zumsteg, as well as Ms. Johnson.
- Mr. Henry Cisneros, former Secretary of the U.S. Department of Housing and Urban Development, was the keynote speaker at the symposium.

Awards

- Speakman Place
 - ▶ Received an Award of Merit, and is nominated for an Award of Excellence, from National Association of Housing and Redevelopment Officials (NAHRO).
 - ▶ Project included HDF and Brownfield funds from DNREC.
 - ▶ Project comprised of 71 mixed-income townhouses.
 - ▶ Approximately 50% of the units were affordable units that targeted households below 80% of median income and have been sold. The remaining market-rate units are selling well.
- Old Landing II
 - ▶ Selected as a Tax Credit Excellence Award winner in the Rural Housing category for this year's Charles L. Edson Tax Credit Excellence Award competition by the Affordable Housing Tax Credit Coalition and will receive a \$5,000 grant.

State Legislation

- Delaware Interagency Council on Homeless (DICH)
 - ▶ Ms. Johnson asked Council to review the draft of the proposed legislation in the Council packet and respond to either Mr. Heckles or herself with their comments.

- Step-Up Program
 - ▶ The HDF provided rental subsidy for this program.
 - ▶ The three Step-Up participants: Gateway House, Connections and West End Neighborhood House are leasing up. Approximately 35 individuals will be assisted.

- DEMAP
 - ▶ This foreclosure prevention program has closed 88 loans to-date with \$250,000 remaining in the appropriation.
 - ▶ Ms. Harkins asked if the loan recipients were being monitored. Mr. Heckles stated all loans are being monitored and there are no defaults to-date. DSHA does have a lien on each property in the event of a default.

BY-LAWS REVISIONS

Ms. Sokolowski stated the Council Members had received a copy of the proposed By-Laws via email, U.S. mail, and that the By-Laws had also been posted on the internet for public review. Ms. Sokolowski continued by noting four changes to be made to the proposed By-Laws revisions:

1. Article V, Section 2, the last sentence on page 6 - insert the word “days” after the word thirty (30).
2. Article VI, page 8 - “In addition, the Council, by resolution, may designate and appoint one or more committees.” The word “additional” to be inserted after the word “more”.
3. Article VI, Section 2, number 3, page 9 - “...disseminate communications to the Governor and Members of the General Assembly, ...”. A comma is to be inserted after the word “Governor”, the word “and” removed, and the words “and the public” inserted after Assembly.
4. Article IX, page 12 - “The Council on Housing shall adopt a conflict on interest.” The words “on interest” should be changed to “of interest”.

Ms. Zumsteg asked if, as in the past, the Chair would be included in the Communications Committee. Ms. Sokolowski replied that the Chair is an ex-officio of all committees and would have the option of participation.

Ms. Sokolowski made a motion, and Ms. Zumsteg seconded, to accept the By-Laws changes. There being no objection, the motion passed unanimously. Ms. Sokolowski next made a motion to approve the By-Laws as amended to take effect July 1, 2008. Mr. Walker seconded the motion and it was also unanimously passed.

COUNCIL NOMINATIONS

Ms. McCarthy stated Mr. Walker has placed his name in nomination as Chair and Ms. Zumsteg as Vice-Chair. Ms. Harkins stated voting will take place at the July 2008 meeting with nominations remaining open until that time.

NEIGHBORHOOD ASSISTANCE ACT PROGRAM (NAA)

Mr. McLaughlin stated, from time to time, presentations for information and education sharing will be made to the Council.

Ms. McCloskey then reviewed the NAA per the attached handout and below comments:

- NAA was originally established in July 1977 and handled by the Delaware Economic Development Office until July 2007 at which time DSHA took over.
- DSHA aggressively promoted the via mass mailings, word-of-mouth, informational meetings in all three counties, Rotary meetings, non-profit agencies, as well as community and professional meetings.
- Tax credits are available to qualified individuals and businesses for minimum contributions of \$5,000 and \$10,000 respectively. The credits can be taken for a period not to exceed five (5) years.
- Any individual or business, excluding banks, who pays Delaware state income tax are qualified to contribute.
- Qualified organizations are community development and community-based development corporations who are designated as a 501(c)(3) organization by the IRS.
- NAA tax credits equal 50% of the investment up to a maximum contribution of \$200,000 annually per taxpayer.
- Contributions must be made to NAA approved programs established to assist impoverished neighborhoods and communities or those that serve low- and moderate-income families.
- Applications, accepted year-round, are a two-part process completed by both the non-profit organization and the donor but submitted by the non-profit organization.
- Applications are reviewed and approved by DSHA staff and signed off by Ms. Johnson.
- The advisory committee meets on a quarterly basis.
- To-date, 13 applications have been received; eight (8) have been approved and the remaining five (5) are under review.
- Total allocation of \$182,581 in NAA Tax Credits thus far.
- Allocations have been made to: Sussex County Habitat for Humanity, YWCA, East Side Community Learning Center Foundation (4 contributions), Lutheran Community Services.
- NAA recipients are monitored to confirm their program was accomplished.

A copy of the NAA pamphlet and application will be mailed to all Council members. The program information and application is also linked on the DSHA and Delaware Department of Revenue websites. Mr. McLaughlin encouraged Council members to help promote this program.

OTHER BUSINESS

Mr. McLaughlin stated the Council on Housing reimbursement policy, procedures and forms will be mailed to all Council members within a few days.

Ms. Sokolowski noted, effective August 1, 2008, Council members will be able to participate in the meetings via tele- and/or video-conferencing. Ms. Harkins stated details of electronic participation will be determined with the assistance of DSHA staff and Mr. McGonigle.

SCHEDULING OF NEXT MEETING

The next Council meeting is scheduled for Wednesday, July 9, 2008 at 2:00 p.m. at the Buena Vista Conference Center, New Castle, DE.

ADJOURNMENT

Ms. Zumsteg made motion for adjournment. Seconded by Mr. Walker, the motion was unanimously approved and the meeting adjourned at 3:15 p.m.

Respectfully submitted,

Lynda T. Blythe