



CITIZENS ADVISORY COMMITTEE

Department of Community Development
807 E. Main Street, Durham, NC 27701
Golden Belt Building 2, Suite 200



Minutes - Special Meeting FY 2013-2014 CDBG, ESG & General Funds Application Evaluation & Funding Recommendations March 6, 2013

The Durham Citizens Advisory Committee met on the above date and time with the following members present: DeWarren K. Langley (Chairman), SaKoyra Bullock (Vice Chairwoman), April Johnson (Secretary), Anitra Bailey, Dilcy Burton, Alice Cheek, Delvin Davis, Richard Fuqua, Raushan Gross, Roger Loyd, Anthony Royster, Will Sutton and Gregory E. Ward.

Absent: Rashaun Gross

Subject: Call to Order

The meeting was called to order at 6:01pm by Chairman Langley who welcomed everyone.

Subject: Roll Call

Secretary Johnson called roll.

Chairman Langley acknowledged the presence of a quorum. He explained that the purpose of the meeting was to complete the Committee's FY 2013-2014 CDBG, ESG & General Funds Applications Evaluations & Funding Recommendations. Chairman Langley also thanked members for attending and their service.

Subject: Conflict of Interest Statement

Chairman Langley explained that members of the Committee are bound by the the Conflict of Interest Statement signed in August in compliance with the Community Development Block Grant (CDBG) Application Process Audit Report [December 2011] of the Department of Audit Services for the City of Durham. He noted that the Report recommended the Department ensure the members of the Committee sign a conflict of interest form annually.

Chairman Langley explained that each member of the Committee has an on-going duty to disclose to the full Committee any potential conflict of interest that is known or that may later become known. Each member of the Committee should strive to avoid even the appearance of conflict of interest. He noted that should a conflict of interest or appearance of conflict of interest arise, the member must disclose this knowledge in writing to the full Committee addressed to the Chairman and signed. The member must then be excused from participating from any discussion, deliberation, or decision-

making regarding the applicant.

Chairman Langley noted that he would ask for recusals during the vote on each application and explained that members should recuse themselves to avoid the appearance of impropriety involving the decision making or use of Community Development Block Grant (CDBG), Emergency Solutions Grant (ESG) and General Funds.

Subject: FY 2013-2014 Community Development Block Grant (CDBG), Emergency Solutions Grant (ESG) and General Funds Application Evaluation & Funding Recommendations

Chairman Langley explained that the CAC is responsible for evaluating applications and making annual recommendations to the City Council and the Board of County Commissioners concerning the allocation of CDBG, ESG & General funds to sub-recipients. He noted that on July 21, 2011, the Durham City Council voted to authorize the City Manager to execute a Joint Cooperation Agreement with the County of Durham for the Durham City-County HOME Consortium with the City of Durham as the lead agency.

Chairman Langley explained that CDBG funds to be awarded are limited to public services activities which address homelessness. Approximately \$138,000 in funding is expected to be available of which approximately \$74,000 is reserved for the Durham County Department of Social Services for homelessness prevention. No HOME funds will be award through the application process. Approximately \$150,000 in ESG funds is expected. For FY 2013-2014, the Five-Year Funding Plan includes dedicated general funds to be awarded through the application process for the following activities:

- Up to \$300,000 is available to complete previously assisted housing activities in Northeast Central Durham and Southwest Central Durham, which is limited to properties in which CDBG, HOME, NSP and General Funds have been invested, properties acquired by the City of Durham and the remaining 37 homeownership units needed to complete the Durham Housing Authority's HOPE VI project.
- Up to \$250,000 is available as match or gap financing in the creation of permanent supportive housing for households with incomes at or below 30% of the Area Median Income (AMI).
- Reallocation of \$720,000 for the financial restructuring of Preiss-Steele Place. The funding is no longer required. Preiss-Steele Place is a 102-unit affordable housing project serving near elderly (senior) and disabled individuals. Given the need in the community for affordable housing serving vulnerable populations such as seniors and persons with disabilities, viable applications requesting funding to preserve or increase the supply of housing serving such populations will be considered through this application process.

Chairman Langley explained that the recommendations of staff will be summarized in the draft Annual Action Plan which will be available for public review and comment for 30 days. The Annual Action Plan is due to the US Department of Urban & Housing Development (HUD) on or before May 15. He reminded that an average application evaluation score less than 70 points on a 100 point scale will not move forward in the process.

Genesis Home, Inc.

Committee Member Bailey provided a brief overview of the application for Genesis Home, Inc.

The applicant applied for ESG funding and requested \$20,000. She reported the evaluation score of 96 and recommended \$17,000 in ESG funding. Committee Member Bailey noted her recommendation did not substantially differ from staff, and thus she would recommend the Committee agree with the staff funding recommendation.

Motion by Committee Member Bailey and seconded by Chairman Langley to agree with the staff recommendation of \$17,000 in ESG funding for the Genesis Home, Inc. The motion was approved unanimously.

Durham Interfaith Hospitality Network

Vice Chairwoman Bullock provided a brief overview of the application for Durham Interfaith Hospitality Network.

The applicant applied for ESG funding and requested \$15,400. She reported the evaluation score of 93 and recommended \$15,400 in ESG funding. Vice Chairwoman Bullock noted her recommendation did not substantially differ from staff and thus she would recommend the Committee agree with the staff funding recommendation.

Motion by Vice Chairwoman Bullock and seconded by Chairman Langley to agree with the staff recommendation of \$13,090 in ESG funding for the Durham Interfaith Hospitality Network. The motion was approved unanimously.

Urban Ministries of Durham

Committee Member Davis provided a brief overview of the application for Urban Ministries of Durham.

The applicant applied for ESG funding and requested \$35,000. He reported the evaluation score of 96 and recommended \$35,000 in ESG funding. Committee Member Davis noted his recommendation did not substantially differ from staff and thus he would recommend the Committee agree with the staff funding recommendation.

Motion by Committee Member Davis and seconded by Secretary Johnson to agree with the staff recommendation of \$29,750 in ESG funding for Urban Ministries of Durham. The motion was approved unanimously.

Housing for New Hope

Secretary Johnson provided a brief overview of the application for Housing for New Hope.

The applicant applied for ESG funding and requested \$79,554. She reported the evaluation score of 97 and recommended \$79,554 in ESG funding. Secretary Johnson noted her recommendation did not substantially differ from staff and thus she would recommend the Committee agree with the staff funding recommendation.

Motion by Secretary Johnson and seconded by Chairman Langley to agree with the staff recommendation of \$67,621 in ESG funding for Housing for New Hope. The motion was approved unanimously.

Durham Housing Authority

Committee Member Cheek provided a brief overview of the application for Breaking Barriers of the Durham Housing Authority.

The applicant applied for ESG funding and requested \$12,900. She reported the evaluation score of 80 and recommended \$12,000 in ESG funding. Committee Member Cheek noted her recommendation did not substantially differ from staff and thus she would recommend the Committee agree with the staff funding recommendation.

Chairman Langley recused himself from the evaluation, discuss, comment or rank of the application for Breaking Barriers of the Durham Housing Authority. He read a printed copy of the disclosure statement to the Committee of prior employment with the Housing Authority of the City of Durham (DHA). Chairman Langley noted that he does not currently have business ties to DHA, however to avoid the appearance of impropriety involving the decision-making or use of entitlement funds. He explained that his disclosure and recuse seeks to maintain the confidence of the citizens, City Council and Board of County Commissioners in the integrity and trust of the Committee's evaluations and recommendations.

Motion by Committee Member Cheek and seconded by Secretary Johnson to agree with the staff recommendation of \$11,082 in ESG funding for Breaking Barriers of the Durham Housing Authority. The motion was approved unanimously. Chairman Langley abstained.

Durham Housing Authority

Committee Member Royster provided a brief overview of the application for CATCH of the Durham Housing Authority.

The applicant applied for ESG funding and requested \$7,252 in ESG Funding.

Committee Member Royster noted the application was well organized yet question whether the Durham Housing Authority could receive two contracts under ESG Funding.

Chairman Langley explained that staff recommended \$0 in ESG funding for the second application and noted that the application for Breaking Barriers of the Durham Housing Authority was recommended for funding.

Motion by Committee Member Royster and seconded by Secretary Johnson to agree with the staff recommendation of \$0 in ESG funding for the application for CATCH of the Durham Housing Authority. The motion was approved unanimously. Chairman Langley abstained.

Urban Ministries of Durham

Chairman Langley provided a brief overview of the application for Urban Ministries of Durham.

The applicant applied for ESG funding and requested \$45,000. He reported the evaluation score was 85 and recommended \$35,000 in ESG funding. Chairman Langley noted his recommendation did not substantially differ from staff and thus he would recommend the Committee agree with the staff

funding recommendation.

Motion by Chairman Langley and seconded by Secretary Johnson to agree with the staff recommendation of \$33,880 in ESG funding for Urban Ministries of Durham. The motion was approved unanimously.

Durham Interfaith Hospitality Network

Committee Member Davis provided a brief overview of the application for Durham Interfaith Hospitality Network.

The applicant applied for CDBG funding and requested \$40,000. He reported the evaluation score was 84 and recommended \$40,000 in CDBG funding. Committee Member Davis noted that overall the application was strong and recommended the Committee agree with the staff funding recommendation.

Motion by Committee Member Davis and seconded by Secretary Johnson to agree with the staff recommendation of \$30,120 in CDBG funding for Durham Interfaith Hospitality Network. The motion was approved unanimously.

Genesis Home, Inc.

Committee Member Fuqua provided a brief overview of the application for Circles of Support of Genesis Home, Inc.

The applicant applied for CDBG funding and requested \$19,890. He reported the evaluation score was 85 and recommended \$15,000. Committee Member Fuqua noted his recommendation substantially differed from staff, however, information was omitted from the application and due to budget constraints recommended the Committee agree with the staff funding recommendation.

Motion by Committee Member Fuqua and seconded by Chairman Langley to agree with the staff recommendation of \$0 in CDBG funding for Circles of Support of Genesis Home, Inc. The motion was approved unanimously.

Durham Crisis Response Center

Chairman Langley provided a brief overview of the application for the Durham Crisis Response Center.

The applicant applied for ESG funding and requested \$61,600. He reported the evaluation score of 85 and recommended \$61,600 in CDBG funding. Chairman Langley noted his recommendation substantially differed from staff. He explained that the Durham Crisis Response Center demonstrated capacity for carrying out the proposed program with qualified and experience staff; the project is cost effective; yet, leverage could not be determined because the information was not provided in the application and the project was inconsistent with the Five Year Consolidated Plan Priorities of neighborhood revitalization and housing for persons with special needs. Chairman Langley concluded that he would recommend the Committee agree with the staff funding recommendation.

Committee Member Bailey recused herself from the evaluation, discuss, comment or rank of the application the Durham Crisis Response Center. She read a printed copy of the disclosure statement to the Committee of past service on the Board of Directors for InStepp, Inc. from May 2009 to May 2013 and current service on the Advisory Board for InStepp, Inc. Committee Member Bailey noted that InStepp, Inc. is a partner of the Durham Crisis Response Center and to avoid the appearance of impropriety involving the decision-making or use of entitlement funds, she would recuse herself. She explained that his disclosure and recuse seeks to maintain the confidence of the citizens, City Council and Board of County Commissioners in the integrity and trust of the Committee's evaluations and recommendations.

Motion by Chairman Langley and seconded by Secretary Johnson to agree with the staff recommendations of \$0 in ESG funding for the Durham Crisis Response Center. The motion was approved unanimously. Committee Member Bailey abstained.

Habitat for Humanity of Durham

Committee Member Loyd provided a brief overview of the application for Habitat for Humanity of Durham.

The applicant applied for General Funds and requested \$300,000. He reported the evaluation score of 100 and recommended \$300,000 in General Funds. Committee Member Loyd noted that the application as very thorough, detailed and accurate and his funding recommendation was the same as the staff funding recommendation.

Motion by Committee Member Loyd and seconded by Secretary Johnson recommendation of \$300,000 in General Funds for Habitat for Humanity of Durham. The motion was approved unanimously.

Integral Development, LLC

Committee Member Sutton provided a brief overview of the application for Integral Development, LLC.

The applicant applied for General Funds and requested \$500,000. He reported the evaluation score of 100 and recommended \$500,000 in General Funds. Committee Member Sutton explained that the resumes of the staff show that they have the knowhow and experience and the portfolio of prior projects indicates that they have had success in similar projects over the years within the surrounding area of Durham and Raleigh; the cost per housing unit and development fees and soft costs could not be determined by the application. He noted that the financial information appears to be thorough and detailed by experienced professionals and one letter of interest is included from Self Help but the letter clearly states that the letter is not a firm commitment letter. Committee Member Sutton further explained that the proposed rent schedule outlines maintenance and replacement reserves figures. According to the schedule, the pre-k portion of the building will be maintained by DPS. He noted his funding recommendation was the same as the staff funding recommendation.

Motion by Committee Member Sutton and seconded by Secretary Johnson recommendation of \$300,000 in General Funds for Integral Development, LLC. The motion was approved unanimously.

Manor Associates Limited Partnership

Committee Member Ward provided a brief overview of the application for Manor Associates Limited Partnership.

The applicant applied for General Funds and requested \$65,000. He reported the evaluation score of 80 and recommended \$65,000 in General Funds. Committee Member Ward noted that his funding recommendation was the same as the staff funding recommendation.

Motion by Committee Member Ward and seconded by Chairman Langley recommendation of \$300,000 in General Funds for Manor Associates Limited Partnership. The motion was approved unanimously.

Chairman Langley thanked members for their evaluations and recommendations. He noted that in the email assigning applications and providing instructions on evaluations, he explained that funding requests exceeded funding availability due to the automatic allocations to the Department of Community Development for administration and the Department of Social Services pursuant to the Durham County HOME Consortium Agreement thus Committee members should have reduced the funding recommendations to coincide with funding available. Chairman Langley explained that he would ask staff to explain how reductions in funding allocation were determine to better assist the Committee with future evaluations and recommendations.

Subject: Announcements

Chairman Langley thanked members of the Committee for their diligence, time and commitment to community development, affordable housing and homeless reduction and service to the City and County of Durham.

Subject: Adjournment

With no further business to come before the Committee, the meeting was adjourned at 8:30pm.

Respectfully Submitted,
April Johnson, Secretary