

Minutes of the July 27, 2011 Meeting of the
Eastern Shore of Virginia Housing Alliance
The Enterprise Building
Accomac, Virginia

Directors Present

Delores Bailey
Angel Collins
Diana Giddens

Michael Selby
Faith Custis
Lawrence Trala

Directors Absent

Chris Bannon
Jacqueline Chatmon
Louise Coles

Betsy Jenkins
Diane Musso
Ellen Richardson

Others Present

Susan Haycox
David Annis

John Simpkins

1. Call to Order

President Selby called the meeting to order at 7:07 p.m. No quorum was present.

2. Invocation

President Selby offered the invocation.

3. Minutes of May 25, 2011 Meeting

The Minutes of May 25, 2011 Meeting were presented.

Board approval of the minutes of the May 25, 2011 Meeting was requested.

4. Bills Payable/Financial Statement

Board approval of the following Bills Payable/Financial Statements is requested:

ESVHA Bills Payable

A-NPDC	May/June Expenses	\$14,383.67
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Financial Statements for ESVHA operating account and IP/R Construction funds were attached.

Pine Street Apartments

The current Pine Street Apartments budget report and financial statement were also attached.

5. Current Financial Status Report

The attached report indicated that 84.34 percent of the administrative budget had been expended while 100 percent of the fiscal year had passed.

Board approval of the presented reports was requested.

6. FY 2011 Budget Amendment

Adoption of the following FY 2011 budget amendment was requested:

1.	3110	IP/R HOME Program, DHCD	\$250,000.00
		Construction	<u>+155,231.38</u>
			\$405,231.38

ITEM 1 represents the amendment to complete FY 2011 construction activities for the IP/R HOME Program by increasing the construction budget. Note that 100% of the additional funds are allocated and paid from DHCD's approved budget for the project.

The requested amendment will be reflected on the final budget and audit for FY 2011.

7. FY 2012 Budget/Annual Work Program

The Proposed FY 2012 Budget/Annual Work Program was attached.

The major highlights include:

- The A-NPDC adopted its FY 2012 Budget/Annual Work Program at their July 18 Commission meeting, establishing the benefit and indirect rates for FY 2012.
- Anticipated work schedules and associated funding available have been reviewed by staff and revised as appropriate.

Board Adoption of the Proposed FY 2012 Budget/ Annual Work Program was requested.

8. Property Management

Pine Street Apartments

There are no vacancies. Five tenants late on on their rent; all should be paid up shortly.

USDA Rural Development requires properties to have an accessibility evaluation done every four years. This is being completed in the next week and a report will shortly follow. The report will give a plan for how to address areas of noncompliance that must be corrected in the next three years and breaks down the costs so that we can budget for them in the future. Many of these costs can come from Reserve. This is part of the properties Civil Rights compliance.

There are no major maintenance issues at this time. We have had some minor repairs on heat pumps and have recently finished repainting an occupied unit. We will next begin re-sealing and striping the parking lot in the next month or so. The fence is also on the short list of items to get attention in the next few months. Both items were planned for in the new budget effective July 1st.

Accomack Manor

There is one vacancy which will be filled by the end of the month. Another unit turnover is expected in August and management has already begun to process an applicant to fill it.

Hallways and doors are being painted. The gazebo has been installed. Next week they will build the sidewalk and ramp.

They are still holding monthly birthday parties and other events for the residents including nutrition classes and blood Intrepid will pressure screening in August.

9. Housing Development Projects

Indoor Plumbing Rehabilitation Program

Under the 2011 contract, three substantial reconstruction projects are complete, one is nearing completion and another is under way. Six projects, all requiring AOSE or engineer-designed wastewater systems, are being prepared for bid to well and septic contractors, with four of the six awaiting a response from the Virginia Department of Health.

Applicant intake, including property eligibility inspections, is ongoing.

Activities required for execution of 2012 IPR contracts between the Housing Alliance and DHCD include certain federally required advertisements and notices regarding funding availability and equal opportunity. Those ads have been ordered for placement in the local paper and will appear over the next two weeks.

Other contract requirements include Board adoption of the 2012 Management Plan, Program Income Plan, and Local Business and Employment Plan. Copies of those plans are attached. No need for substantive changes to any of these plans has arisen. Therefore, they are essentially identical to last year's plans. Board adoption of the 2012 IPR Management Plan, Program Income Plan and Local Business and Employment Plan is requested.

Board authority was requested for the Executive Director to execute the 2011 IPR contract when it is prepared and sent to us by DHCD.

10. Housing Development Projects

Mill Run Phase II

The closing date with the equity fund, VHDA and DHCD loans, and BB&T construction loan was postponed until August 2nd. The two missing items that are preventing us from closing are the AHAP agreement for the project-based rental assistance, and the building permits. The building permits were delayed due to expired health departments permits on 8 of the 26 units. We are on-track to obtain the health department approvals, and the building permits by July 29th. The AHAP was delayed pending HUD sign-off on the subsidy layering review and the environmental review.

Additional information and clarifications to the financial documents were forwarded to HUD on July 22nd. We are hoping for a positive response from HUD before the new closing date.

William Hughes Apartments

Delmarva Rural Ministries has filed for Chapter 7 bankruptcy. DRM's assets, including William Hughes Apartments, are in the hands of the bankruptcy court trustee. Currently there are negotiations between the USDA attorney and the court on how to handle the apartments. Since the RHA Board had recently discussed acquiring the apartments, staff

has sent word through our contacts with USDA that the RHA would be interested in acquiring the apartments, pending the Board's acceptance of the terms of the conveyance. In the unlikely event that the court takes action before the next RHA meeting, we may need to hold a special meeting before September.

Camille Run Homes

Staff is moving forward with plans to replace the nine occupied houses on Occohannock Neck Road owned by Edward Kellam. The houses do not have indoor plumbing, and are deteriorated beyond the point of rehabilitation. Staff submitted an application to the Federal Home Loan Bank of Pittsburg on behalf of the Eastern Shore of Virginia Housing Alliance for \$250,000.00. If funded, the money will supplement funds from the Indoor Plumbing/Rehabilitation Program and will be used for acquiring and subdividing the property, and to cover certain construction and soft costs related to the project.

NCALL Predevelopment Contract

Staff has been conducting preliminary searches for possible sites for future rental housing in both Counties. The Eastern Shore of Virginia Housing Alliance has been considering pursuing the development of new rental units. Staff will present the results of the site search to the Alliance Board at their July meeting.

11. Housing Services Programs

Sponsoring Partnership And Revitalizing Communities (SPARC) & HOMEownership Down Payment Assistance Program (HOME)

The current funding for the HOMEownership Down Payment Assistance Program has been extended through October.

NCALL Homeownership Program

- In order to meet the twenty hour pre-licensing education requirement for the Mortgage Loan Originator Licensing, Patricia Grove attended a class in Richmond, Virginia June 6, 7, and 8th. This class covered Federal law and regulations, ethics, fraud, and Fair Lending issues, as well as training related to non-traditional mortgage products.
- Patricia Grove passed the National and the State tests for the Mortgage Loan Originator Licensing which is being required by the S.A.F.E. Act. She now needs to complete the final steps to obtain the license which is to submit fingerprints, and provide complete personal history and experience for the background check and credit report.
- A Homeownership Class was held in Eastville on Saturday, June 25 at the Bayview Citizen's for Social Justice facility. One family was closing on a Bayview home at the end of the month, and another was closing on a Habitat home. Alice Coles was very excited to learn about the various programs and classes available for Financial

Literacy, Homeownership, and Foreclosure. She wrote a letter expressing the needs of the community and hoped that classes could be scheduled in the near future for the citizens of Bayview.

- There has been a definite increase in foreclosure modification scams in the area in the last several weeks. Some of the clients who have called or come in for face to face appointments, have either recently received information regarding “guaranteed” modifications or have been sending funds to someone claiming to be from a non-profit agency and were told they could “guarantee” an interest rate reduction as well as a reduction in principal. All said they were contacted at home by phone. Information was provided to these clients so that they could submit a complaint form to the Loan Modification Scam Prevention Network and are receiving foreclosure counseling.

Pre-Purchase Counseling	Current Month: June	Cumulative Year 4	Total Cumulative
# of orientations held	0	2	17
Orientation attendees	0	17	112
Client Intakes	2	43	176
Additional Counseling Sessions Held	4	23	142
# of final workshops held	1	4	16
Mortgage submissions	2	10	29
Mortgage closings	0	4	16
Financing leveraged	\$ 0	\$ 366,109	\$ 1,563,990

Growing Your Money Financial Literacy	Current Month: June	Cumulative Year 4	Total Cumulative
New GYM participants	0	75	180
GYM graduates	4	44	85

Default and Foreclosure Counseling	Current Month: June	Cumulative Year 4	Total Cumulative
Intake sessions	5	44	183
Additional Foreclosure Sessions	11	81	320
Positive Foreclosure Prevention Outcomes	1	15	69
Homeowner Budget/Predatory lending Counseling	0	25	44

12. Executive Director's Report

Bayview Property

Staff continues to manage the properties. One house is still available for long-term rental. It is currently being used as a short-term rental to relocate an IPR client while her home is being constructed. Mr. Langston's home is nearing completion. Community Development Coordinator Grove held a Homebuyer Education class that was well received by residents of Bayview. A complimentary letter was received from Bayview Citizens for Social Justice thanking Patricia for her work there. Future classes are planned on budgeting, financial literacy, and foreclosure education.

Occohannock Creek Road Tenant Houses – Camille Run

Edward O. Kellam has agreed to sell the property for its appraised amount of \$102,300. Community Development Coordinator Aigner negotiated an option agreement for 12 months at \$3,000 and those funds will be put toward the purchase price of the property. An application from Federal Home Loan Bank of Pittsburgh is being developed to purchase the property.

Board Application

A Board application has been received from Mr. Dave Vaughn of Onley. An update will be presented at the meeting.

Next Meeting

The next meeting will be September 28, 2011 at 7:00 PM.

Director Trala moved to approve all action items pending approval by full Board at the next Board Meeting. Seconded by Director Collins the motion carried by unanimous vote.

13. Public Participation

There was no public participation at this time.

14. Other Matters

There were no other matters discussed at this time.

15. Adjournment

There being no further business brought before the Board, President Selby adjourned the meeting.

Michael Selby, President

Elaine K. N. Meil, Executive Director