

COUNCIL ON HOUSING
Public Session
Dover Downs Hotel & Conference Center
Dover, Delaware
December 14, 2005

ACTION ITEMS

Seaford Meadows

On December 14, 2005, Roseann Harkins, Chairperson, called to order the Public Session of the Council on Housing at 11:17 a.m. A motion was made by Fernando Guajardo to adjust agenda by not having an Executive Session. Seconded by Ms. Louder, the motion carried unanimously. In addition to Ms. Harkins, the following Council members were present:

Fernando Guajardo
Connie Louder
Joseph McDonough
Ruth Sokolowski
John Walker

The following Council members were absent and excused from the meeting:

Constance McCarthy
Norma Zumsteg

The following persons also attended the meeting:

Jeneen Cappie, Legal Assistant, Wolf Block Schorr & Solis-Cohen LLP
George Danneman, Esq., Wolf Block Schorr & Solis-Cohen LLP
Thomas McGonigle, Esq., Wolf Block Schorr & Solis-Cohen LLP
Saundra Johnson, Director, DSHA
Lynda Blythe, Administrative Specialist II, DSHA
Calvin Bonniwell, Housing Project/Loan Manager, DSHA
Tonya Burbage, Administrative Specialist III, DSHA
Cynthia Deakyne, Housing Asset Manager, DSHA
Emily Genoese, Building Support Systems Engineer, DSHA
Christina Hardin-Dirksen, Chief of Community Relations, DSHA
Jerry Jones, Housing Finance/Development Administrator, DSHA
H. James Loescher, Housing Project/Loan Manager, DSHA
Holly Malone, Executive Assistant, DSHA
Lisa McCloskey, Housing Mortgage Finance Officer II, DSHA

Guests present:

Marlena Gibson, Delaware Housing Coalition
John Gorlich, Leon N. Weiner & Associates, LLC

APPROVAL OF MINUTES

A motion was made by Mr. Walker to approve the Public Session minutes of the November, 2005 meeting as presented. Seconded by Mr. McDonough, the motion carried unanimously.

HDF MATTERS

Mr. Jones stated the only changes to the HDF summary were items 118, 119 and 121. Items 118 and 119 (Victoria Mews and Brightway Commons) were brought before Council at the November meeting and item 121 (Seaford Meadows) would be brought before Council in this session. Mr. Jones stated that DSHA staff is monitoring the accounting and administrative procedures of some of the non-profits that the HDF funds such as NCALL, RC&D and the RISE program and will periodically be doing this for other entities.

- Seaford Meadows - Using the attached handout, Mr. Jones provided the Council with a brief update on Seaford Meadows. Mr. Jones stated that Seaford Meadows has been in existence since the early 80's. This development qualifies as being in a Difficult to Develop Area as classified by the Internal Revenue Service which allows for an increase in the Tax Credit basis. This site has 121 units on 15 acres. The rehab will include an office and community building. The cost is approximately \$50,000 per unit to rehab.

Mr. McDonough asked when will the total amount needed for financing be known. Mr. Jones stated the costs as presented is the expected Total Development Cost but costs could escalate before closing.

Mr. McDonough asked when would this development go to closing. Mr. Jones stated construction closing would occur within the next six months.

Mr. McDonough asked if the reserve amount remains fixed. Mr. Jones stated the reserve has a built-in inflation factor that increases the reserve by 4% per year and the account is an interest-bearing account. Also, Mr. Jones explained how debt service is calculated, which in effect allows for times when project income is less than anticipated. All financial institutions apply this type of calculation.

DSHA is recommending approval of the sponsor's request. The Council reviewed Resolution No. 339 (copy attached). A motion was made by Mr. McDonough to approve the resolution as presented. Seconded by Mr. Walker, the motion carried unanimously.

ADMINISTRATIVE MATTERS

- Mr. Jones stated Norma Zumsteg had a scheduling conflict and Constance McCarthy's husband recently had surgery and these Council members were excused from the meeting.

OLD/NEW BUSINESS

- Ms. Harkins stated some Council on Housing members testified at the State's Budget hearing. Ms. Harkins said she thought Council's testimony was well received.
- Mr. Jones discussed the 2005 summaries of HDF/HOME Loan/Grant Approvals(attached). Mr. Jones stated DSHA and Council have been very busy this year and that DSHA staff average about one loan closing per month.
- Ms. Johnson talked about DSHA's recent article in the News Journal (attached). She stated that DSHA will be doing a housing inventory of the state and she quoted herself as saying "A home is where a job goes to sleep. If people do not have an address to receive paychecks, telephone calls, we are not going to make it." Ms. Johnson stated that DSHA needs to have an affirmative action plan on housing. Ms. Johnson stated that DSHA's Planning Section and Director's office are in the process of preparing a Needs Assessment for the State.

SCHEDULING OF NEXT MEETING

The next Council meeting is scheduled for Wednesday, January 11, 2006 at 2:00 p.m. in New Castle.

ADJOURNMENT

A motion was made by Mr. Walker to adjourn the Public Session at 12:11 p.m. Seconded by Mr. McDonough, the motion carried unanimously.

Respectfully submitted,

Tonya A. Burbage

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