

COUNCIL ON HOUSING
Public Session
Buena Vista Conference Center
New Castle, Delaware
February 8, 2006

ACTION ITEMS

- **2006 Low Income Housing Tax Credit Qualified Allocation Plan (QAP)**
- **Joint Sunset Committee**

On February 8, 2006, Roseann Harkins, Chairperson, called to order the Public Session of the Council on Housing at 2:13 p.m. A motion was made by Norma Zumsteg to move into Executive Session. Seconded by Mr. McDonough, 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
Norma Zumsteg

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

Constance McCarthy

The following persons also attended the meeting:

Thomas McGonigle, Esq., Wolf Block Schorr & Solis-Cohen LLP
Saundra Johnson, Director, DSHA
Catherine Gregory, Deputy Director, DSHA
Tonya Burbage, Administrative Specialist III, DSHA
Cynthia Deakyne, Housing Asset Manager, DSHA
Matthew Heckles, Executive Assistant, DSHA
Jerry Jones, Housing Finance/Development Administrator, DSHA

Guests present:

Erin Boggs, Advanta National Bank
Timothy Crawl-Bey, Community Housing, Inc.
Vivian Davis, The Arc of Delaware

Lorraine deMeurisse, Deutsche Bank Delaware
Doug Hazelton, MBNA
Denise Knutson, Discover Bank
Helen Stewart, JPMorgan Chase

APPROVAL OF MINUTES

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

HDF MATTERS

Mr. Jones stated the only changes to the HDF summary were items 99 and 100 which represent Old Landing II. This development went to closing on January 31st. This project was delayed because of construction contract difficulties and the developer reapplied for credits in August. Item 121, Speakman property in Wilmington, the Salvation Army did not receive McDonald's funding, therefore, DSHA expects to receive an HDF application for homeownership assistance at this site.

2006 QUALIFIED ALLOCATION PLAN PRESENTATION BY CYNTHIA DEAKYNE

Ms. Deakyne gave an overview of DSHA's 2006 QAP, which included: the background of housing tax credits, DSHA's responsibilities, statistics, financing structures, the application process and production of units. Following the presentation, Council members had the following questions:

- Mr. McDonough asked if every year Delaware only receives the minimum tax credit allocation. Ms. Deakyne stated that Delaware receives the IRS minimum but may apply for more credits if available in the national pool.
- Mr. McDonough asked how does DSHA arrive at the tax credit cap; is it fixed. Ms. Deakyne stated DSHA increased the cap amount this year because costs are increasing and DSHA is trying to maximize other financing sources.
- Mr. Guajardo asked how the QAP committee got started. Ms. Deakyne stated that Ms. Johnson started it when she was appointed the Director for DSHA.
- Mr. Guajardo asked if more points were given to moderate income census tract. Ms. Deakyne stated no.

- Ms. Sokolowski asked if the tax credits float. Ms. Deakyne stated typically all properties are 100% low income.
- Ms. Sokolowski inquired about the asset management. Ms. Deakyne explained DSHA's asset management procedures and file reviews for income compliance of the tenants.

ADMINISTRATIVE MATTERS

- Mr. Jones mentioned that a potential Council member received an application to apply. Her name is Wayne Paskins, a retired school teacher from Rehoboth Beach who taught in the Cape Henlopen district.
- Mr. Jones stated there will be a Joint Finance Committee meeting on February 16 at 10 a.m. in Legislative Hall. Ms. Harkins will be out of town and Ms. Zumsteg will take her place for the meeting. Ms. Harkins stated that Council members should attend if they are available that day.

OLD/NEW BUSINESS

Joint Sunset Committee Discussion

- Ms. Sokolowski asked if Council should have the Delaware Roundtable group make a presentation. Mr. McDonough asked if they were able to present before the Council during this meeting. Ms. Stewart stated the group was not prepared to present at this meeting.
- Ms. Sokolowski made a motion to invite the Delaware Roundtable to make a presentation before Council. Seconded by Ms. Louder, the motion passed unanimously. Ms. Harkins felt it was also appropriate to invite other interested parties to the next meeting so they could express their opinions on affordable housing. Ms. Johnson thought this was a good idea and stated that DSHA would put this item on the agenda and also on DSHA's Highlights on the web.
- Ms. Boggs asked who counsels the Council on Housing. Ms. Harkins stated Mr. McGonigle serves as counsel for the Council and the Authority.
- Mr. Crawl-Bey stated that he thought the recent Roundtable activities concerning DSHA had evolved into an us against them situation. Mr. Crawl-Bey stated DSHA is not getting

enough financial support for housing but it appeared that positive events were taking place.

- Ms. Boggs asked how individuals could receive minutes of the meeting. Ms. Burbage stated they were located on the website and that minutes from a previous meeting do not get approved until the next meeting. December's meeting minutes were approved today and would be on the web shortly.
- Mr. Guajardo stated that he would like to receive an update on the JSC at the next Council meeting.

SCHEDULING OF NEXT MEETING

The next Council meeting is scheduled for Wednesday, March 8, 2006 at 2:00 p.m. in Dover.

ADJOURNMENT

A motion was made by Mr. Walker to adjourn the Public Session at 4:01 p.m. Seconded by Mr. McDonough, the motion carried unanimously.

Respectfully submitted,

Tonya A. Burbage