



Regular Meeting

<http://knoxvilletn.gov>

~ Agenda ~

Tuesday, June 28, 2022

5:00 PM

Beck Cultural Exchange Center

ORDER OF BUSINESS

1. CALL TO ORDER

2. ROLL CALL

Fitzgerald-Baker, Best (5:25 p.m.) Lyons, Olum, Olds (5:09 p.m.), Porter, Taylor, Underwood

3. APPROVAL OF MINUTES

Tuesday, May 24, 2022

4. ANNOUNCEMENTS AND EXTRAORDINARY MATTERS

Nikitia Thompson, Realty Executives – Knoxville Housing Market

- “Black Homeownership: Building Generational Wealth”
 - See Packet
 - Home ownership is the biggest catalyst for wealth-building
 - About every 10 years, there is about \$100k in equity
 - Redlining (1930), GI Bill (1944-1956) contributed to wealth disparity
 - In Knoxville, black homeownership is at 33.7% and white is 51.2%
 - Pathways to home ownership
 - Cash & Mortgages
 - Employment, debt-to-income ratio, liquid assets (i.e. closing costs, down-payment), credit health
 - Obstacles
 - Affordability (\$294k is median for City; huge jumps in last couple years due to market changes an supply/demand), lack of planning, lending requirements, understanding employment income, debt (including judgment and child support; being married but separated), low credit score, and lack of liquid assets
 - Nikitia notes that there is a program for everyone who has some level of income, but the major issue is affordability.

- Note: debt-to-income ratios and credit scores are the number one factor of mortgage rejections
- Opportunities
 - Educating the community (planning), looking at income and vouchers (income), reviewing debt to get caught up or refinance high interest loans (debt), credit counseling and interest reduction (credit health), and getting a savings account or grant for down-payment and closing costs (liquid assets)
- Planning and maximizing generational wealth through homeownership
 - Managing the mortgage, like PMI
 - Refinancing, which Nikitia said many black homeowners do not do
 - Taxes being unpaid, which can lead to the home being lost
 - Insurance and maintenance
 - Lack of estate planning is a huge issue, according to Nikitia.
- The Good News
 - About 11 million (22% of the black population) black millennials (aged 24-39), and they are purchasing homes.
 - NAREB: National Ass'n of Real Estate Brokers was formed in 1947 and put out a report recently which Nikitia recommends the Task Force review for their goals. NAREB is an equal opportunity and civil rights advocacy organization for black real estate professionals, consumers, and communities. Economic opportunity is their main focus.
- **Discussion:** Olds, Underwood, Lyons

Marisa Moazen, KCDC – Transforming Western

- Many public meetings involving residents were held with good turn-out
- 85% response rate from the resident neighbors
- 95 partners stepped up and supported the grant application and offered programs to further the goals
- HUD grant -- \$200 million project plus \$300 million from community partners. They were named a finalist and will let them know mid to late summer on who will be awarded what. If awarded, they will have 6 years to complete.
- Rebuilding 244 units and updating many features; about 300 new units added too
 - All will return as tax credit properties (still affordable rentals), plus 99 market rate units
- 3 major community improvements
 - Knoxville's first regional destination park with enhanced ADA access, attractions for children, etc. Also community garden, partners who donate tools for preparing food at home, etc.
 - Façade enhancement grants from the City for nearby businesses; because some businesses can't afford the match, some HUD dollars will go toward the business' match requirements

- Anchor building – Knox Makers will move here along with other arts/crafts businesses for children; also a community restaurant with a coffee shop and Real Good Kitchen which works with food entrepreneurs; also classes for (and storefront space for) folks who are interested in starting a business.
- Goal is to increase income from \$9k to \$18k for folks who live in the WH area
- Case management for first 6 years for support and tracking success; if this model works well, then it will be expanded to other neighborhoods.

Jim Swink, East TN Housing Development Corporation (came with Nikitia Thompson)

Discussion: Olds, Fitzgerald-Baker, Lyons

Speakers' Charge to Task Force: Nikitia and Marisa both say that talking about and educating others on the resources out there is one of the biggest issues.

Tanisha Fitzgerald-Baker: charged other Task Force to think about other projects and to think holistically about how to get people ready for these programs and opportunities. Next meeting, there will be a presenter on tiny homes.

5. STAFF REPORT

a. Grant Specialist Position

Report: Charles Lomax: description of job has been drafted and posted; it was up for 2 weeks; they got a few applicants. They have been narrowed down, and interviews have been done for 3 candidates. Tanisha Fitzgerald-Baker sat in on the interviews with a member of the community and City staff members. They are in the process of making a recommendation to send to the Mayor for consideration and will serve under the Community Empowerment Dept.

Discussion: George Underwood

b. National League of Cities SCEI Report

Report: Charles Lomax: first bit of funding has come in, and we are in the preliminary planning stages and looking forward to implementation. At the recent meeting, Pamela Cotham, Charles Lomax, Cheryl Ball, Deidra Harper, and Mayor were all there.

Discussion: none.

c. Fiscal Sponsor

Report: Charles Lomax: had a conversation with Matt Ryerson, UW President, who then went to their Financial Officer and their board. UW is in agreement to serve in that role for AAERTF. We will need an MOU or an agreement to that effect.

Discussion:

Olds – questions for Charles Lomax include getting information regarding UW board diversity; capacity for separating funds; etc.

Underwood – are we still open to other groups, like Urban League? Fitzgerald-Baker reminded Task Force that at last meeting, the Task Force just authorized Charles Lomax to have the initial conversation to feel out whether United Way would be a good option.

Lyons – a factor to consider is whether the Task Force could have input on where funds went, once United Way received them. Other Task Force members voiced support for finding out the answer to these questions.

Fitzgerald-Baker – we can still have these conversations, but we should start making decisions on this because we can anticipate money coming in soon, especially with the grant writer position being filled hopefully soon.

6. COMMITTEE REPORTS

a. Executive

Report: Tanisha Fitzgerald-Baker:

Agenda; upcoming meeting; and bylaws

b. Community Engagement

Report: Matthew Best:

Purpose statement – “Serves to communicate the plans and purposes of the TF: collect community input, and educate people on paths to personal empowerment.”

Feedback from public on website – already a contact form that they will tweak

Leave-behind card – history of the AAERT, purposes and goals, “we need your input” with QR code to link to website

Fall dates for rescheduled community events – they are trying to nail down some possibilities

c. Investment

Report: Deborah Porter stated that she was the only person able to attend; Tanisha Fitzgerald-Baker noted that once the grant writer starts, the committee will gather momentum.

7. PROPOSED RECOMMENDATIONS

a. By-Laws Review and Amendment

Report: Christina Magrans-Tillery (staff attorney)

Bylaws have not been updated because no comments were received by 6/14. Comments received from George over the weekend, but they have not been incorporated yet. Charles Lomax hopes to get draft recommendations and options to the Task Force next week. Task Force

8. PUBLIC FORUM

Vivian Shipe – asks “why we are not good enough?” She asks why would money be turned over to United Way because it doesn’t get down to the roots where the funding is most needed. An example is where someone has a requirement to come to a class to apply for funding, but the applicant has a heart attack and can’t

come...but the answer is "better luck applying next year." She wanted Task Force to consider 3 other organizations. Appalachian Community Fund, Connect, and The Women, LLC. She charges Task Force to reconsider on United Way being the Fiscal Sponsor.

Fitzgerald-Baker and Best both responded, noting that organizations like Connect would probably be a funding **recipient**, so that's why they might not be the best Fiscal Partner. United Way would just be an administrator, not that they would be a recipient. Best noted lengthy discussions and extensive consideration by Task Force. Best also addressed 501(c)(3) status issues.

Marisa Moazen – community justice grants in partnership with KCDC. Needs a broad base of support. KCDC is looking for a partner and could help by serving as a Fiscal Sponsor and get the money out (but not keep it).

9. ADJOURNMENT

Motion: Best, second: Olum; passed on unanimous voice vote

Next Meeting: July 11 at 5:00pm at TBD (Charles Lomax to email Task Force about location)