



~ Agenda ~

Tuesday, May 24, 2022

5:00 PM

Beck Cultural Exchange Center

**ORDER OF BUSINESS**

**1. CALL TO ORDER**

**2. ROLL CALL**

Present: Best, Fitzgerald-Baker, Lyons, Porter, Taylor, Underwood, Olum

Arrived at 5:05: Miller (arrived after vote on approval of minutes)

Arrived at 5:12: Olds (arrived during housing presentation)

Arrived at 5:25: McKenzie (arrived during housing presentation)

**3. APPROVAL OF MINUTES**

Tuesday, April 26, 2022

Motion: Lyons

Second: Best

Vote: Passed on unanimous voice vote

**4. ANNOUNCEMENTS AND EXTRAORDINARY MATTERS**

Beth Bacon, City of Knoxville Housing and Neighborhood Development

**PROGRAMS:**

**Owner-Occupied Rehabilitation** – keeps low income homeowners to stay in homes by making needed repairs. Specific programs: lead-based, energy star replacement homes, relocation payment assistance, etc. CDBG and HUD funds allocated by the City. Ave. rehab cost is \$115/sq. foot. Loan has 1% interest rate.

**Rental Rehab Program** – Gives LLs a forgivable deferred payment loan (DPL) up to \$30K to bring property up to Code. Private funds from LL over that. LL has to agree to rent and occupancy restrictions for 5-20 years depending on amount of DPL. In last 5 years, 126 units were part of the program.

**Community Housing Development Orgs** – non-profit housing developers who meet certain HOME criteria; allocate a minimum of 15% of HOME grant each year, but average is 40%. Partners (CHDOs) include Home Source, Neighborhood Housing, etc. Homebuyer projects also, for new construction or improvements.

**Down Payment Assistance Program** – Up to \$39k based on income and other criteria; must live in house for 5-10 years; if so, loan is forgivable. Amount of DPA varies based on closing costs, required investments, etc. Voucher recipients can participate too.

**Lead-Safe and Healthy Homes Program** – Competitive grant program awarded by HUD program. Available to eligible home owners and rental property owners; CAC administers for us. Remediation of lead-based paint on properties. For renters or owners. Also covers leaks, mobility access improvement, etc.

**Loan Servicing** – Owner occupied loans. Current portfolio is 340 direct loans with a balance of \$5.9 M plus forgivable loans of \$7.6M. We get an average of \$650k per year.

**Affordable Rental Development Fund** – For experienced developers who will construct new multi-family units or retrofit existing units. Must agree to rent and occupancy restrictions for up to 30 years (e.g. 40% of units for 60% AMI, 73% for extremely low income 30% AMI, rapid rehousing, etc.). Maximum assistance is \$30k per unit or \$50k for permanent supportive housing. Can count as required HOME match. Examples of completed projects or ones in progress include Pond Gap Flats, Southside Flats, Austin Homes, and Moss Grove.

**OTHER NOTES:**

**Knoxville Affordable Housing Fund** – \$8M covering fund administration, affordable housing trust fund, Austin Homes, Affordable Rental Development Fund, permanent supportive housing fund.

Beth Bacon will send her slides to Charles Lomax so that he can send them to the Task Force.

**DISCUSSION:** Lyons, McKenzie, Fitzgerald-Baker, Best, Miller, Olds

**Topics:**

1. Demographics and geography data would be helpful to have. Beth Bacon will get that data for the Task Force.
2. How to encourage business development and investment in the areas where the housing opportunities are to increase employment opportunities, avoid food deserts, etc.

3. If we wanted to scale up home ownership, what are the barriers or successful models? Beth Bacon: CHDOs and down-payment assistance programs, but with the market the way it is, HUD raised the home prices from \$200k to \$251k. That helped, but the problem is that extremely low income folks still can't afford it even with the assistance and with loans. More down-payment assistance would be helpful.
4. How to attract middle-income folks into the home ownership programs. Beth Bacon: for the 80% AMI, up to about \$47,000 for a family of two. Going above that amount would require a different program, because HUD requires middle to extremely low income level recipients. Task Force discussed the possibility of how to mirror this program, but for mid-level income folks.

## 5. STAFF REPORT

### a. Grant Specialist Position

LaKenya Middlebrook presented status: job has been posted; asked for Task Force help in getting the word out about the position. We have gotten 3 applications so far. The applications be open through 5/31.

### b. Committee Meeting Schedules

Middlebrook presented dates, times, and locations for Executive, Community Engagement, and Investment Committees beginning in June.

### c. Retreat Recap

**Speakers:** Fitzgerald-Baker, Best, Taylor, Miller, Olds

**Topics:**

1. The possibility of an Education Committee was discussed. Also a card with an "elevator speech" to hand out. Task Force generally agreed that Community Engagement Committee could work on this. Middlebrook will inform Lomax that this item should appear on the Community Engagement Committee agenda for June for discussion.
2. Fitzgerald-Baker reached out to the Gates Foundation, which is open to participating in a meeting by Zoom with the Task Force. Generally, Task Force was open to this idea.
3. Fitzgerald-Baker and Miller talked about Hardin's housing ownership input (also see handouts in meeting packet). Miller discussed whether we focus on zip codes, poverty levels, etc. Fitzgerald-Baker discussed the MLK luncheon where a program in Greenville, SC was brought up, and their model might be helpful for this discussion. Taylor mentioned the business and investment piece being a priority. Fitzgerald-Baker mentioned wanting to break up the connection between poverty and zip codes.
4. Executive Committee – ??

5. Community Engagement Committee – to look at drafting language for the card; their charges have been identified.
6. Investment Committee – lay out in initial meeting what their charges are

## **6. COMMITTEE REPORTS**

No committee reports today, per Fitzgerald-Baker

## **7. PROPOSED RECOMMENDATIONS**

- a. Brandon Hardin Housing Presentation – see packet
- b. By-Laws Review and Amendment  
Christina gave overview  
Soft deadline for Task Force to get comments to me by 6/14, and Christina to send to Task Force by 6/21 in advance of 6/28 meeting.

## **8. PUBLIC FORUM**

## **9. ADJOURNMENT**

Motion: Best, 2<sup>nd</sup>: Taylor

Passed on voice vote at 6:15 p.m.

*Next Meeting: June 28 at 5:00pm at Beck Cultural Exchange Center*