

APPROVED ON 3-13-08

**CITIZENS ADVISORY COMMITTEE
MEETING**

FEBRUARY 7, 2008

PORTSMOUTH CITY HALL

6:00 P.M.

Present: Chairperson Nancy Emerson, Vice Chairperson Dani Rooney, Bob Layton, Lynne Langley, Algene Bailey, Constance Carmody

Absent: Jean Pecunies (called), William Thorpe (called)

Staff: Cindy Hayden, Deputy City Manager; David Moore, Assistant Community Development Director

Chairperson Emerson opened the meeting and asked for a motion relative to the minutes from January 24, 2008. Mr. Layton moved to accept the minutes and the motion was seconded by Ms. Carmody; all voted in favor.

Chairperson Emerson turned the meeting over to Mr. Moore who reviewed the tasks and documentation used to administer the Public Service Agency Grant Program. Mr. Moore provided the committee with materials he uses to administer the Public Service Agency Grant Program. He reviewed each document and highlighted elements of particular interest to the committee members. Specifically, he reviewed the application for the program, the subrecipient agreement used between the City and each agency, a quarterly invoice form, which agencies use to report on numbers of residents served in a quarter, and the monitoring form used by staff to ensure compliance with the subrecipient agreement. Mr. Moore stressed throughout this discussion that the City, as an entitlement community, is required by U.S. Housing and Urban and Development (HUD) to request certain documentation from agencies and to monitor agencies to ensure compliance with HUD guidelines, including procurement, income eligibility and financial guidelines.

After this discussion, the Committee discussed the FY 2008-2009 budget. Mr. Moore provided updated information on the FY 2009 entitlement grant amount. He indicated that due to a calculation error at HUD, the City's entitlement grant would actually be \$40.00 less than previously anticipated. The new entitlement grant amount for FY 2009 will be \$646,806. Mr. Moore reminded the committee that, at the last meeting, Mr. Layton inquired about the value of the outstanding loan portfolio for the Housing Rehabilitation Program. Mr. Moore reported that the approximate balance of the outstanding loans for this program is \$700,000. Ms. Hayden reminded the committee that some of these Housing Rehab loans are currently in repayment and most are deferred. Specifically, 32 loans are deferred until a change in ownership; 23 are deferred until a time certain and 4 are making monthly installment payments totaling approximately \$600 per month. She clarified that the \$700,000 is a total of all loans including the deferred loans. Ms. Hayden indicated the Portsmouth Non-Profit Loan Program outstanding loan portfolio balance is \$168,000 (3 loans; approximately \$1,000 per month in repayments) and the Portsmouth Economic Development Loan Program outstanding loan portfolio balance is \$81,000 (3 loans; approximately \$1,100 per month in repayments).

Ms. Hayden asked the committee for its general thoughts regarding the FY 2008-2009 budget discussions to date. She reminded the committee that if it is interested in funding the ongoing core CDBG programs, then approximately \$200,000 would be available for allocation to new projects. Ms. Hayden said local CDBG entitlement support for the Lafayette School Renovation project is key to the success of the Portsmouth Housing Authority's Low Income Housing Tax Credit funding application. Ms. Hayden also reminded the committee about the complex nature of financing for affordable housing projects. In addition, she said funding for this project is likely to be tight and that CDBG funds should help insure the successful completion of the project with all the key amenities in place.

Mr. Layton indicated his preference is to finish the construction of the Raleigh Way Streetscape Improvements. Mr. Layton also expressed support for the need to fund the Lafayette School. He said the Lafayette School Project should be funded at a level that insures the project is done completely.

Chairperson Emerson indicated she was hopeful that \$300,000 in funding from the Wamesit Place redevelopment and ownership transfer would enable the City to fund both projects, including the second phase of Raleigh Way in FY 2009. Ms. Hayden reminded the board that she, too, is hopeful that the money will be available for CDBG eligible projects, but that we should be careful not to plan too far in advance of actually receiving the funds. Chairperson Emerson expressed regret that more funding isn't available to pursue construction of the Raleigh Way Streetscape Improvements. Ms. Hayden indicated that staff will review the potential use of Section 108 funding for the Raleigh Way Streetscape Project to facilitate its completion in a shorter timeframe. She reminded the committee that Section 108 is a loan program for CDBG entitlement communities that allows them to borrow against future entitlement grants.

Chairperson Emerson then moved on to other business on the agenda and recognized Mr. Moore. Mr. Moore indicated that the Community Development Department had developed a new presentation, which focuses on affordable housing in the City of Portsmouth. Specifically, staff has recently been asked to present on current housing topics and staff wanted to share the new presentation with the members of the committee. Mr. Moore reviewed the presentation with the Committee. The presentation provides statistical information on housing stock and affordability in Portsmouth and gives examples of affordable housing strategies in place to meet the housing challenge. These strategies include assisting first time homebuyers, creating affordable housing, retaining affordable housing, enacting innovative zoning techniques and partnering with other agencies.

After the presentation, Ms. Langley asked about the possibility of the committee visiting the Osprey Landing housing development. Mr. Moore said he would look into it and review the possibility of meeting there at a future meeting. Ms. Langley also inquired about demographics in Portsmouth. Mr. Moore indicated he would be able to provide the committee with information about the City's demographics for its information. Ms. Langley expressed regret about the decreased funding for the Public Service Agency Grant program in FY 2009 due to the decrease in the City's entitlement. Mr. Moore said that he also was disappointed and that, unfortunately, due to the 15% HUD spending cap, there is no opportunity for the committee to increase the amount of CDBG funding for the grant program.

Seeing no other questions, Ms. Emerson adjourned the meeting at 7:15 p.m.