

CITY OF CONCORD

NEW HAMPSHIRE

City Hall - 41 Green Street - Concord, NH 03301 - tel. (603) 225-8510 - fax (603) 228-2701

COMMUNITY DEVELOPMENT ADVISORY COMMITTEE MINUTES September 26, 2012

The meeting was convened at 12:05 P.M. in the Second Floor Conference Room, City Hall, 41 Green Street, Concord, NH 03301.

Present: Jeff Bart, Allen Bennett, Elizabeth Blanchard, Mark Coen, Michael Gfroerer, and Nadine Salley

Absent: Leo Fraser, Jennifer Kretovic, Amanda Grady Sexton, and Janet Sprague

Staff: Matt Walsh, Assistant for Special Projects

Bev Rafferty, Administrative Assistant

Guest: Donna Lane, CDBG Consultant

1. Minutes:

- a. <u>May 23, 2012 meeting:</u> Nadine Salley requested one change on page 2, Daniels application item, third line in paragraph, change "income to debt ratio" to "debt to income ratio"; Ms. Salley made a motion to accept the minutes as amended; seconded by Michael Gfroerer; motion passed unanimously;
- b. <u>July 16, 2012 meeting:</u> Liz Blanchard made a motion to accept the minutes as submitted; seconded by Michael Gfroerer; motion passed unanimously.
- c. <u>July 25, 2012 meeting</u>: Michael Gfroerer made a motion to accept the minutes as submitted; seconded by Mark Coen; motion passed unanimously.
- 2. <u>Public Hearing mid-point public hearing including verbal update on current community</u> Development Block Grants:

Matt Walsh explained the two grants currently under construction. He introduced Donna Lane, CDBG Consultant. Mr. Walsh explained that Ms. Lane was handling all the work on the projects, i.e. project progress, administration, and overseeing the management of the two grants.

Friendly Kitchen: Donna Lane gave a verbal update on this project. She indicated the site work, including underground utilities, is more than halfway complete. The foundation is in and framing of the exterior walls and roof are complete. The substantial completion date is scheduled by Thanksgiving provided the weather cooperates. She reviewed the budget and noted that, to date, the block grant has expensed \$122,245.

Fisherville Cooperative 107 Sewer Upgrade Project: Ms. Lane informed CDAC that the contractor (Lyman & Sons) is quite busy at this time. She noted that work commenced August 6, 2012 and that, to date, the block grant has expensed \$100,743.

Ms. Lane continued by noting the work completed to date which included contractor mobilization and site preparation, installation of a temporary water system, construction of access roadway, the existing roadway pavement reclaimed and stockpiled, installation of 2,300 ft. of 8" PVC sewer main and 12 sewer manholes, and installation of 21 permanent sewer service connections. All of which, with the exception of the last item, are 100% complete; the final item is approximately 40% complete.

Ms. Lane also stated the remaining work to be completed as follows:

- complete installation of 36 new sewer services (to begin by end of the month);
- installation of new water main (began September 24th)
- decommission of temporary water system and installation of new drain manholes (November 2012);
- roadway grading and paving (November 2012, final paving Spring 2013); and
- site restoration (November 2012/Spring 2013).

The contract completion date is set for December 2012 and the project will probably shut down at that time due to the weather and work will resume again in the Spring 2013.

Michael Gfroerer inquired about other projects going on at that location but nothing is known. Ms. Lane noted there would be another invoice from the contractor at month's end so more of the grant money will be expensed at that time.

Concord Boys and Girls Club: Although this grant application is not due for a public hearing, Ms. Lane informed CDAC that the NH CDFA will be making award notifications in October and this application is a good one so she is hopeful it will be awarded.

Merrimack Valley Day Care (MVDC): Again, although not due for a public hearing, Ms. Lane noted the feasibility study application is being processed and will be submitted in October to the NH CDFA. MVDC facilities need upgrading and this feasibility study will provide detailed information on what actually needs to be done.

Elizabeth Blanchard inquired about the temporary water system at Fisherville Cooperative and asked if residents were going without water. Ms. Lane noted that the contractor has installed temporary services to each home and that all dwellings have water.

At this time Chairperson Bart opened the public hearing for the Friendly Kitchen grant and inquired if there was any public testimony. Being none, he closed the public hearing.

Mr. Bart then opened the public hearing for the Fisherville Cooperative 107 Sewer Project Grant and inquired if there was any public testimony. Being none, he closed the public hearing.

CDAC thanked consultant Donna Lane for attending today's meeting and, at this time, Ms. Lane the meeting.

3. Community Development Block Grants:

<u>Concord Boys and Girls Club Grant Application:</u> Matt Walsh noted that he is a member of the NH Community Development Finance Authority (NHCDFA) Community Development Block Grant committee. Therefore, when the project is presented to NHCDFA, he would need to recuse himself from voting on the application. Mr. Walsh explained there were thirteen applications received by NH CDFA for a total of \$4.7M requested. As a result, competition for the current grant round is tight.

Mr. Walsh also noted that the Concord Boys and Girls Club had not secured all of its funding. CDAC asked if the NHCDFA could award partial funding for the project in light of the high level of competition for CDBG funds. Mr. Walsh noted CDFA reviews its scores but if funding does not come through this time, we could try again in January 2013.

Bev Rafferty noted this is the time of year when staff would send letters of possible funding for the January grant round to the local non-profits, however, until we know if the Boys and Girls Club is awarded funding, would CDAC prefer to wait until the awards are made in October before sending out any letters.

Mr. Walsh noted that if the Boys and Girls Club could get a commitment letter from the bank, he believes this application will be funded. CDAC agreed with Mr. Walsh's assessment and decided to have staff wait on sending out any letters until after the awards are made in October.

Merrimack Valley Day Care Feasibility Grant: Mr. Walsh simply referred to the update provided by Ms. Lane earlier in the meeting.

- 4. Revolving Loan Fund (Fund 2701 Outstanding Loans & Account Balances):
 - Armano: Bev Rafferty reviewed this loan account with CDAC. She noted that for the last year there has been no change or any activity on this account. Staff would like to write this loan off and close it out completely. CDAC members would like staff to obtain something in writing from the Legal Department that states it (CDAC) can write this off. Ms. Rafferty will report back to CDAC at the next meeting with information from Legal.

Mark Coen inquired on the track record of the loans and asked if CDAC had a pretty good record on this program. Staff noted this program is well run and that aside from a couple of loans that have had payments suspended or had to be written off due to foreclosure, the vast majority recipients do pay their loans back in full. It was determined that approximately 5% of the loans are not repaid and this is an incredibly low percentage given the low / moderate income clientele for which the program serves.

Michael Gfroerer suggested that at the end of 2012 CDAC send a report to the City Council providing them with information that, as a lender of last resort, this committee has succeeded and tell them what has resulted from the revolving loan program. It was also noted that the percentage of write offs or foreclosures all happened during the great depression timeframe so that played a big part in this percentage as well. Staff will prepare a report to submit to City Council along with the request for appropriation of the repaid loan funds in December 2012 or January 2013.

- ➤ Bennett: Staff inquired for further direction on this loan recipient. Ms. Bennett was asked by CDAC last year to make payments on her loan as best she could and CDAC did not wish to grant a repayment moratorium at that time. To date, Ms. Bennett has only made a couple of payments and she is now 14 months in arrears. Staff was requesting direction from CDAC. Mark Coen suggested asking Ms. Bennett to send in \$25/month as a good faith effort to repay. After some brief discussion about other possible options, it was decided to have Matt Walsh make personal contact with Ms. Bennett. He will report back to CDAC at a future meeting.
- Duncan: Staff provided an update on the Duncan's bankruptcy. Ms. Rafferty explained that Mr. Duncan had filed bankruptcy alone after having made only one payment on the loan. Mrs. Duncan did not file bankruptcy.

CDAC advised staff to contact Mrs. Duncan since she did not file bankruptcy and see what the status is on this account. It was noted that the property is no longer being maintained and thus it is unclear whether the Duncans are still residing at the property. CDAC also inquired if the work for which the loan was given had been done and staff noted it had. Staff will provide an update to CDAC at the next meeting.

- ➤ CDAC noted that there needs to be a plan in place so that when loan funds are awarded, the city needs to be sure the work for which the funds are given is actually done. Two-party checks were discussed but staff noted that this had been mentioned in the past and that the city's financial system is not user-friendly when it comes to issuing two-party checks. Matt Walsh will be updating the Program Income Reuse Plan in the coming months and this issue can be addressed as part of that effort.
- ➤ <u>Account Balances Report:</u> There was no discussion on this report.

5. Other Business:

➤ <u>Update on Endicott Hotel project:</u> Matt Walsh informed CDAC that CATCH had received a cash settlement for the fire damage done at the Endicott. Cobb Hill Construction has been hired to do the work for CATCH. There will be a penalty that CATCH will have to pay the City as the Endicott no longer benefits low/mod income individuals and the lien on the property from the 1994 grant has not yet expired. It is anticipated that approximately \$30,000 will be paid back and will be deposited in the CDAC Emergency Grant funds account.

Mr. Walsh noted that Mike Reed, Director of Real Estate and Asset Management for CATCH, had approached CDAC several months ago regarding possible loan funds to make improvements to the storefronts (former Pachamama's and Eddie Fine's store) to have them similar to what Mark Ciborowski did at the former "Baby Bungalow" property on North Main Street. Mr. Reed has indicated CATCH may come in later with a formal request for this loan.

Appropriation of repaid loan funds: As noted earlier, staff will be preparing a resolution and report to City Council for the appropriation of repaid loan funds from September 1, 2011 through August 31, 2012. It is hoped to have this item on the December City Council agenda.

6. Adjournment:

There being no other business brought before CDAC, and upon a motion duly made and seconded, with unanimous approval, the meeting adjourned at 1:05 P.M.

Respectfully Submitted,

Beverly A. Rafferty Administrative Assistant