

**LOAN COMMITTEE MEETING**  
**January 19, 2017**

**PRESENT:** Felicia Dell, York County Board of Commissioners; Fiona Eyster, York Traditions Bank; Amy Hampson, HealthChoices Management Unit; Bill Koons, Presbyterian Senior Living; Heather Kreiger, ROCK Commercial Real Estate; Jessica Mockabee, York County Human Services; Bruce Rebert, Chairman; Mark Shea, Area Agency on Aging

**ABSENT:** Jerry Austin, Commercial Industrial Appraisal Services; Tom Hoover, York County Controller's Office

**STAFF:** Dory Brannon, Housing Chief; Michelle Trout, Development Specialist; George Barnock, Programs Management & Compliance Chief

**SOLICITOR:** Kurt Blake, Esquire

**Call to Order**

Bruce Rebert called the meeting to order at 10:05 a.m.

**Approval of Minutes**

Fiona Eyster made a motion to approve the meeting minutes for November 2016. The motion was seconded by Mark Shea and carried unanimously.

**Update on proposed sale of Shelter properties**

Dory Brannon reported that a representative from Enterprise Homes recently advised her that they are purchasing the entire affordable housing portfolio of the Shelter Group, along with their property management company. However, each property will be treated as a separate sale transaction. She advised that Park View at Manchester Heights and Park View at Tyler Run are past their 15-year tax credit compliance period, so it is reasonable to expect that they may request some debt relief. York Commons is still in its 15-year tax credit compliance period, so Enterprise will assume all of the debt and buy out the limited partner. A conference call scheduled for this afternoon with Shelter and Enterprise will provide more details. Dory expects that they will request to make a presentation at an upcoming Loan Committee meeting. In the meantime, Bill Koons asked Dory to inquire why they are doing separate transactions and whether they plan to spin off any of the properties after the sale. Dory will update the committee at the next meeting.

**Status of funding allocations and deadlines**

George Barnock presented a summary of current availability and spending deadlines for each year of HOME Entitlement Fund allocations. He said the County assumes that the 2017 allocation will be comparable to the 2016 allocation. He reported that the 2014 funds are currently committed to the York Homebuyer Assistance Program (YHAP) and must be expended by 7/31/2019, but the County has the option to transfer some of those funds to another approved activity like Tenant Based Rental Assistance (TBRA) or a development project. He advised that the 2015 funds must be committed by 7/31/2017, but program income must be spent before the entitlement funds. Dory reported that the program income was generated by retaining the balance of an escrow account from a project that was removed from the program and the first annual loan payment from a 2015 rehabilitation project.

### **Update on M'Calister Inn**

Dory Brannon reported that the Housing Authority has submitted applications for funding from the Local Housing Investment Fund & Trust (LHIFT) and the Pennsylvania Housing Affordability and Rehabilitation Enhancement Fund (PHARE) to fund the acquisition and rehabilitation of the M'Calister Inn. They will also submit an application for Community Development Block Grant (CDBG) funds when the 2017 cycle opens. They recently obtained an updated capital needs plan which includes the need for new roofing, windows, heating and cooling systems, and unit upgrades. Unfortunately, PHFA had to use some of the PHARE funds to make up for a shortfall in the tax credit program, so that application round will be very competitive. It will take several months for funding approvals to be announced. In the meantime, the elevator project is moving forward. The engineer and consultant are working on bid requests, which are expected to go out mid-February.

### **Update on 219 Baltimore Street**

Dory Brannon reported that bids are pending for demolition and they anticipate the work to begin in March.

### **Update on potential development projects**

- 229 Baltimore Street in Hanover, the rental property next to 227 that requires a parking easement is now vacant and the owner wants to sell. The County is considering working with York Area Development Corp. (YADC) or Habitat for Humanity to purchase and rehabilitate the property, providing another homebuyer unit. The relocated tenant from 227 may be approached to see if she would like to purchase that property instead of waiting for one of the new units to be built.
- There was a blighted property at 354 Main Street in Wellsville that was cleared by the borough and they now want to sell the vacant lot. They would request a waiver of the affordability restrictions for themselves, but if a partner developer purchases the site, the County could invest HOME funds to develop a single-family home for an income-qualified buyer.
- New Freedom Apartments is in need of rehabilitation. Staff is looking into discrepancies regarding the affordability period noted in the governing documents. If the HUD-required minimum affordability period can be applied, the County has the option to reinvest funds.

### **Other Business:**

The County is still considering implementing a Tenant Based Rental Assistance (TBRA) program to partner with existing Emergency Shelter Grants (ESG) and/or short-term Rental Assistance Programs (RAP). Dory advised that staff would begin gathering statistical data to support the need for the program after the key players have completed another time-sensitive task they are working on. The plan is to have more details and a draft proposal ready for review at the next meeting.

There was a brief discussion about the need for long-term rental assistance coupled with case management to promote self-sufficiency, and the decline in the use of the YHAP program. Fiona Eyster suggested that buyers might not be using YHAP due to the availability of other first-time homebuyer assistance programs that are less restrictive. Jessica Mockabee advised that the ESG and RAP funds are often depleted before the County is able to serve all of the clients who need assistance. All committee members agreed that a TBRA program is worth considering as long as funds are still available for development projects that would serve a long-term housing need.

### **Adjournment**

Fiona Eyster made a motion to adjourn the meeting at 11:00 a.m. The motion was seconded by Bill Koons and carried unanimously.