



## CITIZENS ADVISORY COMMITTEE

Department of Community Development  
807 E. Main Street, Durham, NC 27701  
Golden Belt Building 2, Suite 200



### **Minutes - Regular Meeting January 23, 2012**

The Durham Citizens Advisory Committee met on the above date and time with the following members present: DeWarren Langley (Chairman), Clark Grundler, Anthony Royster (via phone), Will Sutton, April Johnson (Secretary), Delvin Davis, Roger Loyd, Dilcy Burton, Richard Fuqua, and Paula Thomas.

Excused Absences: SaKoyra Bullock (Vice Chairwoman)

Others Present: Reginald Johnson (Interim Director, Department of Community Development), Wilmur Conyers (Federal Programs Coordinator, Department of Community Development), Brian Tipton, (FLS Interpreter), and Ginger Smith (FLS Interpreter)

#### **Subject: Call to Order**

The meeting was called to order at 6:04pm by Chairman Langley who welcomed everyone. He also wished everyone a Happy New Year.

#### **Subject: Roll Call**

Chairman Langley called the roll. Chairman Langley noted that he received prior notification from Vice Chair Bullock of her inability to attend the meeting thus her absence was excused.

Chairman Langley welcomed new Committee Member Paula Thomas. He noted that Committee Member Thomas was appointed by the City Council at their regular meeting on Monday, December 5, 2011.

He also acknowledged the presence of a quorum.

#### **Subject: Action on Agenda**

Chairman Langley asked the Committee to review the agenda and make any additions and/or modifications followed by action on the agenda.

**Motion** by Committee Member Loyd and seconded by Committee Member Fuqua to approve the agenda. The motion was approved unanimously.

#### **Subject: Action on Minutes**

Chairman Langley asked the Committee to review the minutes from the regular meeting held on October 24, 2011 and make any additions and/or modifications followed by action on the minutes.

**Motion** by Secretary Johnson and seconded by Committee Member Burton to approve the minutes from the regular meeting held on October 24, 2011 with corrections. The motion was approved unanimously.

**Subject: Introduction of Members and Staff**

Chairman Langley asked members of the Committee and staff of the Department to introduce themselves.

**Subject: Report from the Chairman**

Chairman Langley announced that he would reduce the number of text messages and emails forwarded to Committee Members to once per week. He explained that he would send text messages only when an immediate response is required.

He reported the Office of the City Clerk received the resignation letter from Committee Member Dorcas Bradley. Dr. Bradley has resigned due to illness that prevents her from attending meetings regularly. Chairman Langley recommended honoring Dr. Bradley for her tenured service to the community and advocacy for affordable housing.

Chairman Langley announced a Citizen Engagement Workshop schedule for Saturday, March 3, 2012 at Holton Career Center. He explained that the purpose of the workshop is to engage the community in conversations about city budget priorities. Chairman Langley noted that he would email the Partner's Against Crime (PAC) and Coffee with Council meeting schedules to Committee Members.

Lastly, Chairman Langley announced that the Mayor would hold a State of the City Address on Monday, February 6 prior to the start of the regular meeting of the City Council. He encouraged members to attend if their schedules permitted.

**Subject: 2012-2013 CDBG, HOME & ESG Application Review Process & Federal Funding & Conflict of Interest**

Reginald Johnson, Interim Director of the Department of Community Development reported that the Community Development Block Grant (CDBG) Application Process Audit Report [December 2011] of the Department of Audit Services for the City of Durham recommended the Department ensure that members of the Committee sign a conflict of interest form on an annual basis. He explained that members of the Committee would be required to sign a conflict of interest prior to the review of applications for funding recommendations.

Mr. Johnson read the Conflict of Interest Statement and noted all disclosures be put in writing and forwarded to Chairman Langley. Chairman Langley will then forward them to staff at the Department. Secretary Johnson disclosed she works for Preservation Durham, an organization that works in partnership with the Historic Preservation Foundation of North Carolina on the CDBG funded project, Project Revitalize East Durham (RED).

Chairman Langley commented that the City County and Board of County Commissioners have adopted resolutions applicable to their respective appointees which should be included in the Conflict of Interest Statement. He recommended he work with Mr. Johnson to revise the Conflict of Interest Statement to include all relevant local, state and federal provisions.

Wilmur Conyers, Federal Programs Coordinator for the Department of Community Development reported that the Department has not received final allocation numbers for CDBG, HOME or ESG programs from the Department of Housing and Urban Development (HUD), however for planning purposes the Department will use preliminary data provided by HUD for the application review process.

Ms. Conyers noted that severe funding allocation cuts are in the horizon for fiscal year 2012-13 of approximate 12% cut in CDBG funding is expected and there will generally be less funding for the upcoming year than was allocated for the current fiscal year. She also reported that HOME is in jeopardy and that allegedly it is not a fully functioning program. Conyers mentioned that nationwide, HOME applicants have to show that previous projects were successful. According to HUD preliminary data, only approximately \$760,000 in HOME funds is expected to be allocated. Over \$1,000,000 has been allocated in the past year. Although there is no preliminary data for ESG, the Department has previously received about \$80,000. Ms. Conyers announced that it is predicted that there will be about a 20% to 40% cut in HOME funding and reiterated that these programs are fluid and ever changing. Preliminary figures that will be used for planning purposes are \$1,600,000 for CDGB, \$760,000 for HOME and \$80,000 for ESG funding.

Ms. Conyers announced that the public needs hearings will be February 6 before the City Council and February 13 before the Board of County Commissioners.

Chairman Langley asked Ms. Conyers to explain the Annual Action Plan. Ms. Conyers explained that the Annual Action Plan describes how the City of Durham intends to invest its CDBG, HOME, and ESG funds during a specific fiscal year. The Plan also identifies actions that the City of Durham and other local organizations will pursue to further the strategies and priorities in the 2010-2015 Consolidated Plan. Spending has to relate back to Five-Year Consolidated Plan's identified priorities. She noted that the Action Plan must be submitted to HUD for approval and the City of Durham can then execute contracts with sub-recipients.

Ms. Conyers explained that the compact discs (CDs) and application log disseminated to the Committee include full applications for the Committees review, evaluation and recommendation. She reported that the Department encouraged applicants to seek funding from other sources if possible due to limited funding available.

Ms. Conyers announced that the Department will review and score applications on Wednesday January 25, however, scores do not determine whether or not an application will be funded. Recommendations are based on the level of need identified and how well the project addresses a priority in the 5-year Consolidated Plan.

Chairman Langley asked what criteria the Department uses to recommend an application for funding. Ms. Conyers responded that staff uses scoring sheets for CBDG, HOME, and ESG which was the same scoring sheet disseminated by Chairman Langley to the Committee prior to the meeting. The scoring sheets are scored on a 100-point scale. Staff also prioritizes applicants that meet a need described in the Five-Year Consolidated Plan.

Committee Member Burton asked if there was an appeal process for applicants denied funding. Ms. Conyers responded that the Department publishes the draft Annual Action Plan for 30 days for review by the community which provides applicants with information as to whether they were recommended for funding.

Mr. Johnson asked how frequently the City Council had approved funding inconsistent with the Department's recommendations. Ms. Conyers responded that the City Council approves the Department recommendations, at times there could be minor adjustments to recommendations and/or Council may ask for clarity. City Council inquiries are usually answered and addressed prior to final approval.

Ms. Conyers noted that funding from this year forward would focus on the Southside Project.

Chairman Langley explained the review, evaluation and recommendation process. He explained that the Department provides the Committee with a copy of the complete applications, summary of the applications, an evaluation form, and recommendations on sub-recipient funding allocation by the Department staff, the objectives of the City of Durham, and needs of the community, the types of projects that may be funded under each funding program and past performance of applicants. Chairman Langley further explained that members of the Committee will review each application and consolidate funding recommendations to the Department. He noted that if there are discrepancies between the Department and Committee funding allocation recommendations, the Department and Committee will meet in an attempt to reconcile the recommendations prior to submission to the City Manager. If the discrepancies cannot be reconciled, the Committee will submit an explanation of its funding allocation recommendation to the City Manager and City Council.

Ms. Conyers stated that the Department would discuss the recommendations with the Committee at the February regular meeting. The Draft Action Plan must go on public review by March 1, thus the Department would need the Committee's response prior to March 1.

### **Update | Southside Revitalization Project**

Ms. Conyers provided an update summary of the Southside Revitalization Project which is a major development undertaking with entitlement funds. The City of Durham is partnering with Self-Help and developers McCormack Baron and Salazar to build new homes, infill vacant lots with housing and help homeowners rehabilitate existing homes. Ms. Conyers stated that the Project includes job training and educational development opportunities for residents of Southside. She noted that the City wanted to focus on Southside due to the long-term disinvestment and its proximity to Downtown Durham.

Ms. Conyers explained that the City applied for the Section 108 Loan Guarantee Program which provides communities with a source of financing for economic development, housing rehabilitation, public facilities, and large-scale physical development projects. She announced that the Department received notification that the City was approved for the Section 108 Loan today.

Chairman Langley congratulated the Department staff on their work to secure the Section 108 Loan.

Ms. Conyers stated that infrastructure improvements are expected to begin in the summer and vertical construction by winter for the Southside Redevelopment Project. She also noted that the must have certificates of occupancy by December 31, 2013. Additionally, annual payments to the City from the Section 108 loan will be approximately \$750,000.

Committee Member Loyd asked if the developer contributed any funds to the project. Mr. Johnson answered that the developer McCormack Baron Salazar received \$10,000,000 in tax credits.

Ms. Conyers stated that the Section 3 Plan is slated for adoption by the City Council in February. She explained that the purpose of Section 3 is to ensure that employment and other economic opportunities generated by certain HUD financial assistance shall, to the greatest extent feasible, and consistent with existing Federal, State and local laws and regulation, be directed to low and very low income persons, particularly those who are recipients of government assistance for housing and to businesses who provide economic opportunities to low and very low income persons. Contractors working on the Southside Redevelopment project will be given a list of these residents and the listed residents will be given preference over non Section 3 applicants. The city already has someone in place to help coordinate this initiative at the community center in the Southside neighborhood.

Chairman Langley asked what role the Committee would have in the entitlement allocation process considering the amount of funds earmarked for the Southside Revitalization Project. Mr. Johnson answered that the Committees evaluations and recommendations will become more important as a result of limited entitlement funds for other community development projects. Ms. Conyers noted that the Committee will partner with the Department on projects, providing opportunities for low to moderate income citizens, stable communities and economic opportunities for citizens.

Chairman Langley asked how citizen participation will be incorporated in the new process. Mr. Johnson answered that the Southside Neighborhood Association meets monthly and works closely with the Department.

**Subject: Update | CDBG Application Performance Audit**

Chairman Langley explained that the Department of Audit Services completed the CDBG Application Process Performance Audit Report dated December 2011 which was to determine the adequacy of controls over the Department of Community Development's sub-recipient selection process, beneficiary selection process and contract procuring process. He noted that the Report presented observations, results and recommendations which City management concurred with the recommendations made.

Mr. Johnson encouraged the Committee to read the full Report and explained the Department would work to implement the recommendations with consultation from the Committee.

**Subject: Update | Continuum of Care Grant Application Program & Process**

Mr. Johnson reported that Continuum of Care (CoC) Grant Application Renewals and New Projects had been submitted and the Department expected a notification from HUD in about 3 or 4 months.

Chairman Langley thanked Mr. Johnson for the update.

**Subject: Committee Concerns, Suggestions & Ideas**

Chairman Langley asked members of the Committee if there were any concerns, suggestions and/or ideas.

Chairman Langley will send an email to confirm a meeting date and time for the CAC to review entitlement funding applications.

**Subject: Announcements**

Chairman Langley announced the Committee would hold a regular meeting on Monday, February 27, 2012 at 6pm.

**Subject: Adjournment:**

With no further business to come before the Committee, the meeting adjourned at 7:58pm.

Respectfully Submitted,  
April Johnson, Secretary

*Minutes approved on February 27, 2012.*