



**MEETING MINUTES  
December 21, 2017, 8:00 A.M.**

**Committee Members Present:**

Teresa O'Neill – Council Member/Chair  
Carmen Pascual  
Bianca Wilczoch  
Michael Louis Ferrito

**Staff:**

Jonathan Veach, Housing Division Manager  
Kathy Flood, Staff Analyst  
Jennifer Carvalho, Office Specialist

**Guests:**

Steven Sachs, Cloudburst Consulting Group

---

**Matters for Council Action: None**

---

**1. Call to Order/Roll Call**

Meeting was called to order by Council Member/Chair O'Neill at 8:10 A.M.

**2. Public Presentations**

None

**3. Review of Approved Minutes from August 10, 2017**

**4. Items on Agenda**

**ITEMS FOR DISCUSSION**

**A. Review of Budget Status Reports**

Current budget reports were reviewed showing that FY1718 is projected to come in under budget as three projects, totaling over \$300,000 are still in their planning phases and will have many of their expenditures in FY1819.

**B. Program Status**

**i. Staffing Update**

- a. Housing inspector: After two rounds of unsuccessful recruitments for an as-needed Housing Inspector (HI), the Division was approved to recruit for a full time HI, which brought in 35 candidates. Testing and interviews begin in January with hopes to successfully hire a new Housing Inspector by mid-February; during this time our previous Housing Inspector Kelvin has been assigned to work in our Division 1 day per week to assist with open projects.

- b. Housing Development Officer: Interviews are completed and an offer has been extended; waiting for confirmation and plan for mid/late January start date.
- ii. File Reconciliation Update

Office Specialist Carvalho updated the Committee on the ongoing NCIP file reconciliation project. Recent successful reconciliation of the 50 highest CDBG loans resulted in only 5 needing CAO review for various document issues.

An annual Self-Certification process (letter) was implemented and sent out to all program borrowers in early December. The borrower is to certify that properties are still owner occupied and if such property is in a Trust. Response so far has been over 50% from the 100+ sent out. The letter has generated a couple of payoffs which increases available funds for new clients.
- iii. Project Manuals 1&2 Update

These in-house manuals used by the Housing Inspector are being currently being reviewed and updated with the assistance of the CAO.

## **ITEMS FOR POSSIBLE ACTION**

### **A. NCIP Program Manual Revision Updates and Recommendations**

#### **i. Grants vs. Loans**

The Division has been working in collaboration with Cloudburst Consulting and invited Steve Sachs (former HUD director of San Francisco office and current Cloudburst consultant) to provide a brief overview of the program manual update. Discussion was had on Steve's recommendation to restructure the way in which grants and loans are provided. He suggests discontinuing the combination grant & loan projects, explaining that the program would be more efficient and align with current best practices if all grant costs were rolled into the loans. There is a lost opportunity for program income generation with the current policy. Clients still have the advantage of a deferred simple 3% interest loan and the technical support of City staff throughout the process.

To provide background, Staff Analyst Flood gave an overview of existing policies on grants; typical items paid by grant, soft vs. hard costs. Example was given of a \$100,000 project actually totaling closer to \$150,000 when finished once salaries, grants, and indirect costs are all added in.

To compliment the restructure, Division Manager Veach spoke of implementing a separate, non HUD funded, grant program to assist clients with small emergency grants up to \$5,000. This new program would benefit those clients who have immediate needs and whose work cannot wait due to code, health and safety issues. In addition, the use of non HUD funds would ease the restrictions and regulations thus expediting the process for projects to get started. Councilmember O'Neill agreed that such a program would benefit our community and that perhaps funds could be augmented by additional donations and funding through other local agencies.

Due to the length of the discussion and the need to wrap up the meeting, no action or direction was taken on these items. Discussion will be continued at the next meeting.

## **OTHER BUSINESS**

None

5. **Adjournment** – Next meeting scheduled for **February 8, 2018 at 8:00 A.M.**

Meeting adjourned at 9:42 A.M.