PY 2017 Ohio Consolidated Plan Advisory Committee Meeting Minutes
Community Housing Impact and Preservation (CHIP) Program

Date: October 21, 2016, 9:30 a.m. to 4:00 p.m.

Location: Creekside Conference and Event Center, 700 Creekside Plaza, Gahanna, OH 43230

Advisory Committee Members in Attendance:

Chris Alexander	Dale Hartle
Michael Bogo	Kim Haught
Mary Church	Rick Healy
Don Corley	Holly Johnson
Mauro DiVieste	Liz Keel
Phyllis Dunlap	Ken Lengieza
Gayle Flacynski	Ryan Miller
Donna Fox-Moore	Sheila Samson
Missy Frost	Cherise Schell
Dawn Gates	Amy Schocken
Dianne Guenther	Karen Sprague
Rebecca Hall	Chris Wonjo
Jeff Hall	Cheryl Wood

Advisory Committee Members Not in Attendance:

Jeff Hall, Kim Haught, Holly Johnson, Sheila Samson, and Devon Shoemaker

Ohio Development Services Agency (ODSA) Employees:

Mike Hiler, Matt LaMantia, Shana Garrett, Marvin Rudd, Teressa Hickson, John Saunders, and Bill Bope

Others Present:

Tiffany Shaver, John Capitone, and Jacalyn Slemmer

Introduction

Shana Garrett opened the meeting with introductions.

Program Update

PY2016 CHIP Program Funding

Shana Garrett outlined that the Office of Community Development (OCD) received 45 applications representing 91 eligible jurisdictions, totaling $35,350,000. OCD funded 31 applicants totaling $25,699,200. The PY 2016 scoring ranged from 91.45 to 82.64. Shana further explained that there were 14 unfunded applications that scored between 0 and 82.62.

Shana compared the PY 2016 funding to the projected PY 2017 funding. The breakdown is as follows:

Funding Source	PY 2016	PY 2017 Projected
Ohio Housing Trust Fund*	$1.4 million	$1-2 million
Community Development Block Grant	$11.7 million	$11 million
HOME Investment Partnerships Grant	$11.8 million	$11 million

*contingent upon committee review and Director approval

PY 2015 CHIP Program Annual Performance Report

The committee discussed information from the PY 2015 CHIP Program Annual Report. There were no comments or questions.

Target of Opportunity Funding
Neighborhood Stabilization Program (NSP) Program Income

Shana explained that there is discussion regarding eliminating the program. She further explained that OCD continues to work on recapturing program income, and that NSP Program Income will be converted to CDBG Program Income in the near future.

Partnerships

The committee discussed how the partnership arrangements were functioning at this point. Committee members replied with the following:

- When there is a single administrator in a partnership, the structure works very well.
- Some partners want to be very strict about the funding distribution.
- It is difficult to get funded when two communities refuse to cooperate.
- Working with some financial directors can be an issue. Payments to contractors seem to be taking longer. In order to expedite payments to contractors, communication and education are required at the local level. Contractor payments are often late due to the extra layer of processing.

Leveraging Funds and Collaborating with Third Parties

Shana asked if third party organizations were inhibiting grant progress. If so, what are some specific issues? Committee members replied with the following.

- When coordinating, it is difficult to meet the CHIP Program deadlines when they aren't significant to outside agencies.
- There are major challenges coordinating with HWAP because of the Department of Energy's regulations, such as priority points for additional qualifiers. OCEAN automatically bumps the HWAP client to a higher position.
- CHIP Program TBRA funds are not a priority with most MHAs.
- Some Habitat for Humanity (HfH) affiliates invoice at the end of the project. Ryan Miller from HfH of Ohio offered assistance to expedite projects completed with CHIP Program funding.
- Shana asked whether the no-fault amendment period was suitably structured to reallocate funds from activities that are not generating interest to other activities. She informed the committee that there were five requests in the PY 2015 program. Two committee members suggested extending the no-fault amendment period three more months to allow more time to commit Down Payment Assistance (DPA) funds. Shana also asked if any grantee was instituting their own milestones

earlier than OCD's required milestones. A committee member suggested possibly requiring the HfH affiliates to build the unit within the first year of the grant.

Leverage Funds

Shana stated OCD recognizes the challenges in obtaining leverage as other funding sources diminish. She provided a few options OCD is considering, including lowering the required percentage of leverage to receive full points or eliminating leverage and moving the points associated with it to other areas. One committee member stated that most communities apply for, or are forced to apply for certain activities in order to meet the leverage requirements. A committee member asked if there was a federal leverage requirement. Shana stated there were no federal requirements for leveraging funds. Mike Hiler added that leverage makes the program more appealing at a national level, and HUD prefers programs to leverage dollars; but not required. Committee members provided the following additional comments:

- Many agreed to eliminate the leverage requirements entirely and enhance collaboration points to replace the leverage points.
- OCD should allow DPA bank mortgages to be included as leverage.
- Stakeholders may not collaborate and participate locally if leverage requirements are eliminated.
- If leveraging funds remains and a community does not meet goals for an activity, they should be prohibited from applying for that activity in the next application.
- In some communities there are no leverage sources available.
- Another committee member suggested OCD increase the scope of funds that can be counted as leverage and/or increase the no-fault amendment period by two to three months to allow more time to expend leveraged funds for DPA and HfH projects.
- One committee member added that the no-fault amendment may result in losing leverage dollars due to DPA cancellation and HfH and Tenant-Based Rental Assistance (TBRA) projects.

There was a consensus among the committee members to eliminate the leverage requirement and possibly move the points into collaboration.

Tenant Based Rental Assistance (TBRA)

Shana asked the committee about issues regarding expending TBRA funds, and whether the activity should continue to be offered through the CHIP Program. OCD continues to recapture the funds every year, but there appears to be a need for rental assistance. Committee members replied with the following:

- OCD should consider eliminating the activity.
- It is beneficial when used for security deposits.
- It is beneficial and works well with Development Disabilities boards.
- Using the Rapid Rehousing provider might be a solution to some issues with TBRA.
- Limit the amount an applicant can request for TBRA.
- Metropolitan Housing Authorities (MHAs) do not have a funding solution for CHIP Program TBRA clients once the grant is over or the money is expended.
- One committee member identified a positive spin off effect of the program encouraging landlords to bring units up to Housing Quality Standards in order to qualify so they can be part of the voucher and TBRA programs.
- Where it works, it works very well. Therefore, the activity should continue to be available. If applicants don't want or need the activity, they should not apply for it.

Qualified Contractors

Shana asked the committee if there are enough qualified contractors. If not, what are the impediments for having enough contractors, and what are possible solutions to those impediments. Committee members replied with the following:

- There are too few lead inspectors for the entire state of Ohio.
- There are not enough contractors in some communities to operate a CHIP Program effectively.
- Organize a contractor incubator program to generate more qualified contractors.
- The work for the PY 2014 and PY 2015 grants are overlapping too much due to the time constraints for the PY 2015 grants.
- OCD should consider raising the limits of assistance to do fewer units.
- Losing several bids can deter contractors.
- Contractor payments should be paid quicker since most don't have funds to cover up front costs.

CHIP Program Application Training and Other Training Needs

Shana asked the committee if OCD should continue to conduct the CHIP Program application training; and provided an alternative of posting the application, then fielding questions through their program representative. She also asked how this would affect the days of training on the staff qualification forms in the application. She suggested including training from the past four years instead of the past three years. A committee member suggested using technology to conduct training such as a webinar. Another committee member stated there should be training opportunities for new staff. A committee member asked when the starting date will be if the application training was eliminated. Shana suggested the application release would occur prior to Ohio Conference of Community Development (OCCD) quarterly meeting, and OCD would conduct a half-day Q & A session on Thursday afternoon after the quarterly meeting. The committee generally liked that idea.

Shana requested the committee members e-mail training ideas that they would like to see at OCD's 2017 Housing Conference. A committee member suggested that the Housing Conferences should have more repeat sessions, less session options, and possibly a best practices session. Committee members replied with the following:

- One committee member stated a technical assistance guide would be beneficial,
- State and federal regulation training,
- OCD current policy training,
- CDBG or HOME basics,
- Best practices, and
- Program income and leveraged funds rules.

Other Issues/Comments/Questions

Shana asked if there were any other issues, comments, or suggestions. Committee members replied with the following:

- One committee member suggested allowing new construction outside of HfH.
- Another committee member suggested including rental new construction or acquisition/rental rehabilitation for special needs populations, and that maybe this would be good use of the NSP/CDBG program income.

- Another committee member suggested allowing communities to apply for home repair only with less administrative dollars.
- Consider allowing demolition as an activity.

Shana adjourned the meeting.