

**HOUSING AND NEIGHBORHOOD ECONOMIC
DEVELOPMENT FUND COMMITTEE
(UDAG)**

**Tuesday, February 4, 2020
3:00pm to 4:30pm**

**Office of Neighborhood Revitalization
700 4th Street, SW
Albuquerque, NM 87102**

Members Present:	Members Absent:	City Staff:
Gilligan, Sean	Colonel, Gwen	Chacon, Briana
Lopez, Jesse	Plaza, Andrea	Huval, Lisa
Lopez, Margaret	Romero, Alicia	Krantz, Yolanda
Miera, Bernadette		Lujan, Anna Marie
Nelson, Robert (Chair)		Padrino, Patricia
Nordhaus, Richard		Turrietta, Lorraine
Sanchez, Pat		
Senye, Kelle		Guests:

Quorum for today's meeting was not met. . .

I. Welcome and Introductions

Everyone went around and introduced themselves.

II. Changes/Additions to the Agenda

No changes were made to the agenda.

III. Approval of Minutes

A review of the Minutes from the November meeting was conducted. A change to the minutes, on the second page, was made by Kelle Lopez.

- ❖ A motion was made by Robert Lopez and the motion was approved by Kelle Lopez.

IV.

a. Review of Ordinance

- i. The committee was provided with a copy of the ordinance. City staff reviewed the ordinance with the committee and the ordinance provides information on the intent of the committee and what types of projects the funding is supposed to be used for.

Authorization and important aspects. This ordinance provides information on the intent of the committee and what types of projects the funding is supposed to be used for.

- ii. The Ordinance states “The dedication of these funds for housing and neighborhood economic development within the Pocket of Poverty will serve to reduce blight and poverty, increase available housing, create jobs and promote small business development to enhance the well-being of low and moderate income residents”.
 - iii. The Ordinance also states that the Mayor drives the process and the committee provides input and the plan is then reviewed and approved by City Council. The Mayor has designated this task to the Family and Community Services Department.
 - iv. The 10 year plan is supposed to be developed and should “include an assessment of housing and economic development currently existing within the Pocket of Poverty, resources available to address the problems, a financial plan for use of fund income, long range goals and objectives, recommended strategies for implementation and standards for monitoring and evaluation of completed projects”. This information is important to keep in mind when the consultant is developing the plan. At least one public hearing must be held to present the draft of the 10 year plan prior to the plan being presented to Council.
 - v. The plan can be amended by Council amended at any time by the Council after an opportunity for review and comment by the Committee.
 - vi. The plan shall be revised and readopted at least every five years thereafter. Every odd numbered year a fiscal plan for the next two years will also be done.
 - vii. The committee asked due to the RFP already being drafted are there inconsistencies with the RFP and this ordinance? City staff stated they will look at the RFP with this ordinance in mind to make sure there are no inconsistencies.
 - viii. The committee also asked how this ordinance changes the process of hiring a consultant and developing the 10 year plan. City staff stated the process will be the same as was originally thought and will continue to be an interactive process where City staff will work closely with the committee and the consultant.
 - ix. The ordinance is specific in how the funding for the projects is used.
 - x. Under the programming and selection section of the ordinance it mentions that fifty percent of the available fund in any two year program shall be used for rehabilitation of existing private housing stock, maintenance and rehabilitation of public housing located within the Pocket of Poverty and for expansion of the housing stock to serve the needs of low and moderate income persons. The ordinance then states that the other fifty percent of the two year program shall be used for neighborhood economic in the Pocket of Poverty.
 - xi. City staff mentioned that the ordinance references the Urban Development Action Grant UDAG fund, that fund is what the HNEDF fund was previously called.
 - xii. The ordinance also provided a guide on how to rank and prioritize projects.
 - xiii. The committee had a questions where the ordinance references using HUD regulations and using the Federal definitions to determine where the low income need is. Does this mean the committee has to use HUD regulations or does HUD need to be involved? The City stated that the ordinance just mentions using HUD definitions as a guide to help determine where the Pocket of Poverty is and HUD is not required to be involved.
 - xiv. The committee also stated that with this ordinance in mind and needing to review the RFP to make sure there are no inconsistencies it looks it might be 1 to 2 years before money is used for projects.
- b. Fiscal Report
- i. City staff presented a financial report of the previously funded projects to the committee. The committee was provided copies of the accounting spreadsheet which details the projects that were funded and how much they were funded for and how much of that funding was expended. It also details if the project produced revenue and how much. The spreadsheet also detailed if the project required repayment.

- ii. City staff also provided the committee with 5 thumb drives that contained the resolutions that were done to allocate the funding for the projects. The resolutions can also be found on the City legistar website.
- iii. All of the Barelas projects have been closed except for one the City is trying to collect, the El Encanto development loan.
- iv. There is also a project that had money appropriated but it was never expended, The El Encanto Housing project in the amount of \$237,500.00. The committee will need to discuss moving the money back into the overall budget line to then be able to use that money on another project.
- v. Of the Albuquerque Plaza projects that were funded there are two grants that will need to be collected, The WESST project for the development of a business incubator and the USBC acquisition and rehab project. These projects were grants and the project did not complete the terms of the agreement.
- vi. The last page of the report details the fund balance that remains, which is \$5,793,589.15. This balance does not reflect the loans that need to be collected of the money that needs to be re-appropriated from the project that never expended it.
- vii. The committee asked if there was a timeframe for how long it will take the City to collect the funds from the outstanding loans. City staff stated it depends on what the terms of original project agreements stated.
- viii. The committee then asked how the City would collect the loans and if the legal department would do that. City staff stated the legal department would not be collecting the loans and the process of collecting the loans really depends on what the terms of the agreement state.
- ix. The committee stated that the report does not indicate what loans are currently trying to be collected by the City. City staff stated that they are working on collecting those loans but this report is just a rundown of where the funding from past projects was spent.
- x. The report lists projects as closed which means those projects were completed and the terms of their agreements were met so the loan was forgiven or repaid. The projects that say closed mean the project was taken of the City general ledger.
- xi. The report states at the bottom of page 3 there was a revolving construction loan fund and that funding was never supposed to be spent down. City staff stated several of the loans were for projects that allowed the funds to be forgiven if the project terms were met. Also, this report did not intend to capture that, it's intent was more to be able show what money was appropriated to what project and how much as actually expended. The committee stated that they would like to see a report that shows how much of what was expended was recaptured. The committee also stated that it would be helpful to do an assessment of what happened with past projects and which projects were successful. City staff stated that this assessment is written into the consultant scopes.
- xii. City staff stated that the fund balance of \$5,793,589.15 on the last page reflects the loans that were repaid even though the spreadsheet doesn't show the detailed amount on the specific project line.
- xiii. The committee stated it would be useful to see which projects were forgiven, which ones failed to meet terms, which did, that way we don't make the same mistakes again.
- xiv. The committee asked what the plan going forward is, City staff stated that moving forward there will be a clear accounting of where the funding is going. There are electronic programs in place that will keep a record of where the funding is going.
- xv. The committee asked if this is the last 10 year plan based on how much funding was utilized for the last two 10 year plans and how much funding is left. The City stated that is really up to what types of projects are funded and if those projects will create revenue and the committee needs to figure out how feasible it is for it to remain a long term committee.

- xvi. The committee might have more questions on the final report after they have more time to review it, City fiscal staff will be at the next meeting to answer any questions that come up.
- xvii. The committee asked if fiscal can provide them with another report that shows what loans were forgiven and what loans made revenue. City staff stated they would work on that report but because the next meeting is 3 weeks away that wouldn't be enough time to put that report together.
- xviii. Should there be a City staff person that is assigned this committee, this would help ensure the committee doesn't just fall off when staff changes. City staff stated that it depends on how the committee proceeds moving forward and if they decide to make the funding revolving.
- xix. The committee brought up that the Barelás committee member Alicia, resigned. City staff stated that she needs to submit a formal resignation to the City's Boards and Commission and they would then post her position on their website. Then interested people would need to apply and be appointed to the position.
- xx. The committee then asked if there was any way for a current committee member to extend their term. City staff stated that the members if willing can extend their terms but will check to see if there is a process to do this. City staff asked if there are committee members who are approaching the end of their terms and they do not what to extend their term to email her and let her know. City staff will also look at the ordinance that details the committee's makeup and see if there is a process to extend members terms or if there is a limit on the length of a members terms.

c. Update on RFP

- i. The notice for the Adhoc committee was sent to the mayor's office and sent back to staff with name suggestions to be on the committee that committee. There was an individual on that list who has retired so staff is trying to find someone to replace them. Once that is done and the RFP can be reviewed for compliance with the ordinance it will be released.
- ii. City staff provided an update to the committee regarding two projects that are listed on the upcoming City's 2021 budget. The two projects will use \$65,000.00 in HNEDF funding to help existing homeowners and provide affordable housing opportunities in that area. This will be done as a proactive measure to ensure the housing market in that area remains stable in conjunction with the Rail Yards development. The projects that will be funded will be to increase foreclosure prevention assistance and another project to help educate residents in that area about the Bernalillo Counties tax freeze program. This is not final the administration could change this.
- iii. The committee asked what their role would be since it seems these projects are already in the works and the 10 year plan has not been drafted. The City stated that there is nothing the committee needs to do and the projects do fall within the overall goal of the committee.

V. Announcements

Fill out the Census, and count your children as they are being under counted.

VI. Summary of Decisions and Assignments

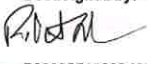
- i. The committee will email Yolanda by the middle of March if they do not want to extend their term on the committee.
- ii. The committee will also email Yolanda with questions regarding the financial report that was presented.
- iii. City staff will contact Alicia to let her know about the committee resignation process.

d. Public Comments

None

e. Next Meeting Date

The next meeting will be February 29th 2020 at 3:00pm to 4:30pm.

<p>Chairperson's Signature: _____</p> <p>Prepared by: <u>Briana Chacon</u></p>	<p>DocuSigned by:  B00005E9138B427...</p>
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