

OSKALOOSA HOUSING TRUST FUND COMMITTEE MINUTES

Thursday, April 4, 2019 - 12:00 Noon
City Hall Lower Level Meeting Room
220 South Market Street

The committee meeting was called to order by Chair Adams at 12:04 p.m. with the following members present: Dan Adams, Joe Caligiuri, John Grahek (Clow alternate), Bernice Hahn (arrived at 12:25 p.m.), Noel C. Stahle, Tamera Sauer and Carri Vande Ree. Members absent: Randall Davis, Valinn McReynolds and Royce Spoelstra. Staff present: Shawn Christ and Marilyn Johannes.

Approval of March 7, 2019 Housing Trust Fund Committee Regular Meeting Minutes.

It was moved by Caligiuri, seconded by Grahek to approve the March 7, 2019 Housing Trust Fund Committee Minutes. Motion carried unanimously.

Continue discussion regarding Housing Trust Fund program usage and possible changes.

Christ went over his presentation on Housing Trust Fund programs, their usage and other program options and discussed them with the committee.

Christ noted that he researched the questions brought up by Bernice Hahn at the last OHTF meeting as to who the original donors were and their intentions when the Oskaloosa Housing Trust Fund was formed. Christ included a list of the donors in his presentation, but noted he could not find any documentation regarding the intent of the original donors.

Christ said staff recommends keeping the Demolition I Program. Christ said the Demolition II Program is not as popular but staff recommends keeping the Demolition II Program also.

Christ and the committee discussed the 1st Time Homebuyer Program and possible changes and came up with several options to consider. Christ asked the committee what changes could be made to increase use of the program if it is still needed.

Sauer: Iowa Finance Authority (IFA) has a grant available for a forgivable loan. A lot has changed since the 1st Time Homebuyer Program was created. Buyers now have a lot more options – IFA and Rural Housing Development programs.

Adams said interest rates are very low now which could be a reason program is not used as much.

Stahle: What is social agenda? Have more global sense as to what targeted areas are and look at them.
Christ: Goal is to increase home ownership. Will look into data.

(Bernice Hahn arrived at the meeting)

Christ: Could eliminate income restriction make a loan, mortgage or grant? Sauer: Grants utilized more. Second lien, more expense. Caligiuri: Prefer low interest. Christ: The message I am getting is to revitalize the program instead of eliminating it.

Sauer: Need to make it easier to match IFA's program. Grant money is not coming back. Can only do once for 1st time homebuyer. Christ: Has a healthy fund balance. Caligiuri: Just turn into a \$2,500 grant program? Sauer: Need program to be different from IFA or will not be used. Remove income limit? Are

we targeting low income or growth? Christ: Targeting growth. Fill in need above low income? Adams: Could be a higher income limit but do not want to give to buyers who make a million a year.

Sauer: IFA \$73,100 income limit on purchase below \$271,000. Caligiuri: Create Homebuyer Assistance Program. Hahn: Give money out until money is gone? Christ: How can we get new construction and open homes up for sale?

Sauer: Maybe have a restoration program. Christ: Habitat for Humanity has an urgent repair program, money available.

Christ: There is a little bit of interest in the upper story housing program but I believe the program was not intended to be used a lot. Staff recommends keeping the program and advertise it. Local dentist had applied but did not follow through with the project due to the cost.

Sauer: Could increase income limit above what IFA offers. Adams: Yes, fill the gap. Go with second limit. Hahn: Need to get IFA formula. Sauer: Can make up to designated amount of money, up to \$121,800 IFA limit. Repeat buyer grant? Hahn: Make less than \$121,800. Sauer: Some loans out of grant possibility because income doesn't fit. Change from loan to grant, reduce amount to \$2,500 and limit to 1st time homebuyer. Vande Ree: Based on IFA's program.

Hahn: Need budget limit on this program? Christ: Fund now has a little over \$200,000. Hahn: If qualify for IFA, not get grant from OHTF. For buyers who do not use IFA program. Caligiuri: Limit the number of grants each year, set a number? Vande Ree: Buyer does not utilize any other 1st time homebuyer program. Sauer: Do not make a cumbersome process. Sauer: Need to check secondary market rules.

Christ: Keep education course requirement? Probably need to use \$75 course. Adams: MGIC has a program that doesn't cost that could take.

Christ: Take action today, revise what currently have, and meet next month or through email. Caligiuri: Send draft of revised program by email. Next one to tackle is revolving loan fund, creative place making, No. 3 on list. Christ: Good idea to consider RLF. Something different we can do with these programs.

Sauer left the meeting (1:03 pm).

Adams asked for a motion. It was moved by Caligiuri to approve revising the 1st Time Homebuyer Program to reflect the recommended changes, Vande Ree seconded. Motion carried unanimously.

Christ told the committee he would send a draft of the revised 1st Time Homebuyer Program to the committee by email and plan to discuss the revised document at a meeting in May.

Claims

It was moved by Caligiuri, seconded by Grahek to approve the February 2019 and March 2019 claims for payment. Motion carried unanimously.

Review of Accounting Reports

The committee looked over the accounting reports.

It was moved by Caligiuri, seconded by Hahn that the meeting adjourn. Motion carried

unanimously. The meeting adjourned at 1:06 p.m.

Minutes by Marilyn Johannes