

MINUTES

New Albany Redevelopment Commission

Special Meeting

A Special Meeting of the New Albany Redevelopment Commission was held on Tuesday, May 28, 2013, at 8:30 a.m., in the Assembly Room, Room 331, City-County Building, New Albany, Indiana.

Commission Members present: Irving Joshua, President
Edward Hancock, Secretary
Adam Dickey, Vice President
John Gonder

Commission Members absent: Dan Coffey

Staff Members present: David Duggins, Director of Redevelopment
Amanda Deatherage, Asst Director of Economic Development (ADED)
Jessica Campbell, Public Facilities Specialist (PFS)
Trish Tobbe, Neighborhood Initiatives Assistant (NIA)

Others present: Shane Gibson, NARC Attorney
Gary McCartin
Daniel Suddeath, Tribune
Lisa Thompson, New Directions Housing Corporation

The President called the meeting to order at 8:40 a.m., and the roll was called.

The first item of business was the **Potential Conflict of Interest regarding the Neighborhood Stabilization Program.**

Mr. Gibson explained the buying process for the Neighborhood Stabilization homes have two components: home buyer incentive from the City and New Directions Housing's closing process. The City reviewed the information presented for the home buyer incentive for 315 E 11th Street. It came to attention that the buyer was related to a former Commission member and current councilman who served on the NSP committee. This put a pause on the proceedings while staff reviewed the process established by IHCDCA for a potential conflict of interest.

IHCDCA will need to make the decision as to whether this circumstance is a conflict of interest. The examples cited are similar to the current situation. The potential buyer qualifies financially.

Ms. Thompson, New Directions Housing Corporation gave a brief overview and status update of the NSP and stated that the buyer qualifies for a home in the 50% AMI range. New Directions will wait for notification from the City regarding IHCDCA's decision before moving forward with the sale.

Mr. Gibson stated that to follow IHCDCA procedure, the Commission is to notify IHCDCA with a background statement and a set of minutes from a public meeting discussing the potential conflict of interest.

Mr. Gonder asked if there was a way to handle this issue in an executive session. Mr. Gibson stated that the minutes for the meeting discussing the topic be public, which excludes executive sessions.

The President stated that no names were to be used. He asked if there was a perceived conflict of interest when the applicant applied. Ms. Thompson said the underwriter was unaware of the relationship. The President asked if there was any pressure from anyone associated with the City for the approval of this applicant. Ms. Thompson replied that there was none.

Mr. Gonder asked if the initial application asks about potential conflicts of interest. Mr. Gibson stated there are four check boxes asking the buyer or anyone in the house works for the City; if the buyer or anyone in the house is related to a City employee; if the buyer or anyone in the house works for New Directions Housing; if the buyer or anyone in the house is related to a New Directions employee. If the applicant had checked "yes" on the application, this process would have still been happening-just sooner.

Mr. Gonder asked if this potential conflict of interest could have been made public after the letter was sent to IHCDA. The President stated that having the public meeting before sending a letter maintains the integrity of the Commission and of the potential buyer.

Mr. Dickey said the conflict of interest section of the application needs to be clarified; the wording is ambiguous enough that this section could be interpreted differently. There is a lot of information and documentation involved with buying a house; it seems like an honest mistake, and there does not seem to be any cover up attempt.

Mr. Gibson stated that the funds are federal and IHCDA makes the process clear: the local government submits the potential conflict in writing with a letter, mention any laws violated, and send the public minutes discussing the situation.

Mr. Gonder asked if the NSP manual defines "immediate family". Mr. Gibson stated it does not define it one particular section, but one of the examples given involves a brother and sister, and this situation is one step away.

Mr. Gonder asked if the federal forms involved could be changed to clarify this. The President stated that the City could have a form designed to clarify the convoluted sections based on the City's interpretation, but the federal form itself cannot be changed at the local level.

Mr. Dickey asked how quickly IHCDA will be able to make a decision. Mr. Gibson stated since New Directions has a day to day working with IHCDA that it would seem to be a fairly quick turn-around. Ms. Thompson said that due to the complexities of the program, there have been a lot of questions needing quick responses. She does not expect a lengthy waiting period for a reply.

Mr. Gibson asked for a motion from the Commission to move forward drafting the letter to IHCDA for the President's signature and sending the required information for the potential conflict of interest. Mr. Dickey made a motion to approve the letter. The motion was seconded by Mr. Hancock and carried by a vote of 4-0.

There being no further business the President adjourned the meeting at 9:02 a.m.

Approved and Adopted this ____ day of _____, 2013.

Irving Joshua, President

ATTEST:

Edward Hancock, Secretary