

**Smyrna Slum Clearance and Redevelopment Authority
Committee Conference Room, Smyrna Town Hall
27 S. Market Street, Smyrna, Delaware**

June 29, 2023- 6:00 PM

Agenda

Call to Order- 6:01 PM

Attendance- Sharon Wright, Treasurer, Fred Schaber, Secretary, and Rick Horsey, Chairman

Staff/consultant- Jeremy Rothwell and Rick Ferrell

Recognition of Visitors- Lorenzo Merino, True Access Capital

Minutes- Fred Schaber May 25, 2023 reviewed the minutes of May 25, 2023. There were no additions or changes.

Motion was made by Sharon Wright and seconded by Fred Schaber to accept the minutes as presented.

Motion was approved.

Financial Reports – Sharon Wright presented the treasurer report as of May 30, 2023 as follows:

- Smyrna Slum Clearance Account- \$8,183.66 (Checks and service charge of \$1,020)
- USDA account- \$145,083.49 (deposits of \$3,012.94) All loans were paid on time.

Motion was made by Fred Schaber and seconded by Sharon Wright to approve the financial report.

Motion was approved.

True Access Capital- Lorenzo Merino, True Access Capital provided an overview of their program for commercial loans. The company is a non-profit organization with over 30 years of experience. They are a lender and counseling company that must have at least 60% of their loans given to minorities. TAC provides loans to commercial companies only. Their interest rates are higher than most banks. They serve start-up companies who may not qualify at most banks.

Report Jeremy Rothwell- Applications for Façade Grants, Loans, and Grants

- Smyrna Sporting Goods- Kathleen Pawley has completed her application and emailed to True Access Capital.
- AG &G Sheet Metal- Michael Sparco, owner of Ducts Unlimited, has a contract to purchase the old utility building on Union Street to expand his business and may need a loan.

- Dr Charles Konadu-Adjei- Apostolic Church is meeting with Jeremy and Rick Horsey to discuss a possible grant for a commercial kitchen. Jeremy suggests that Letitia Nichols from Community Grant meet with us also.
- Mount Olive Church has inquired about a grant and may apply next month.

Review Mission Statement- Rick reviewed our mission statement: “The mission of the Smyrna Slum Clearance and Redevelopment Authority is to: *facilitate commercial, industrial and residential redevelopment, promote economic development, homeownership, and rehabilitation, and to eradicate blighted and distressed properties within the Town of Smyrna per the mandates and authority of title 31, Chapter 45 of the Delaware Code.*”

Review action plan goals and strategies

Goal 1- David Thomas, leader- “we will provide (8) Façade Grants by 12/31/23.”

Currently (1)

Strategy 1- We will create a post card ad to promote Façade Grants on the town’s weekly “Thursday Tidbits”.

An ad was created by Brigitte McKinney and shared on June 21st with Jeremy and David and they were asked for comments. Jeremy liked it very much and suggested that he contact the Town consultant so a link could be added to the ad for residents to go on line to see if their property qualifies for a façade grant. David was not at our meeting. Rick Horsey handed out the draft advertisement. Everyone like the ad. It was suggested that we wait for the town consultant before placing the ad in Town Tidbits. Hopefully, the link will be available next Wednesday.

Action- Wait for consultant to create a link that can be added to the advertisement then place ad in Thursday Tidbits.

Goal 2- Fred Schaber, Leader- “we will identify, promote, and facilitate the Smyrna Redevelopment Focus Area Reinvestment Program for a property or properties in the Town of Smyrna by 12/31/23.”

Strategy- Fred to meet Jeremy to identify a list of vacant properties to determine if the property owner is planning on re-investing in the property or if they are going to sell the property or if the property would be a wise investment for RDA.

Action- Fred will call Jeremy to schedule a meeting in July.

Goal 3- Sharon Wright, Leader- “we will make sure all loans are paid according to their loan agreements, all vacancy fees are paid, and RDA receives the highest return possible on their investments with low risk by 6/30/23.”

Strategy- Sharon will work with Robin Blendt in Finance department on when vacant fees are billed and how they are collected. Vacant Property fees are billed in November and due 12/31 each year.

Discussion- Sharon stated that we must request that Vacant Property fees be transferred from the Town account to RDA each year.

Motion- A motion was made by Fred Schaber and seconded by Sharon Wright to ask the Town Council to approve the transfer of Vacant Property fees to RDA for 2023.

Motion was approved.

Action- Rick H. will send the motion to Town Council.

Discussion- is it fair that a vacant residential property be assessed the same fee as industrial/commercial vacant properties?

Action- It was agreed that Jeremy will ask Barrett for his legal opinion about increasing Vacant Property fees on industrial/commercial properties. If there is no legal reason that they can't be raised then discuss at our next meeting. Put on agenda for next meeting.

Discussion- Should we ask PNC to waive the service fees on the USDA and Smyrna Slum Clearance accounts? The fees are \$20 for each account each month. This would save \$480 per year in service charges.

Action- Sharon will make an appointment with our bank representative to ask them to waive the monthly service charge.

2023 Revised Budget-

Action- Sharon Wright will provide a draft of the 2023 budget for approval at our next meeting.

Goal 4- Joanne Masten, Leader- "We will facilitate new investment in Smyrna by helping investors maximize federal, state, regional and local incentives."

Joanne was not available for tonight's meeting.

Strategy- Joanne was not available to meet on June 7th and asked that the group to meet anyway. So, on June 7th Jeremy Rothwell, Rick Ferrell, Sheldon Hudson and Rick Horsey discussed goal #4. They agreed that the new goal should be clarified and suggested that the new goal read, "We will promote and facilitate new investment in Smyrna by redeveloping existing properties and helping investors locate properties and secure funding and financing." (Old goal read- "We will facilitate new investment in Smyrna by helping investors maximize federal, state, regional and local incentives.")

Motion was made by Fred Schaber and seconded by Sharon Wright to change goal 4 to read, "we will promote and facilitate new investment in Smyrna by redeveloping existing properties and helping investors locate properties and secure funding and financing.

Motion was approved.

Discussion- Should we ask Rick Ferrell to prepare a comprehensive list of all grants and funding that might be available?

Action- Rick Ferrell agreed to prepare a comprehensive list of all grants and funding.

Discussion- Should we prepare a list of potential investors?

Action- Rick Ferrell has a list of potential investors he will share.

Action- Jeremy will create a list of residents who would benefit from grants/loans prior to our workshop in November. Then send out an invitation by post card for those who might be interested.

Action- Rick will ask Joanne to select a date, invite True Access Capital and government grant providers to give a presentation at a workshop that will explain to investors and citizens all the grants and programs available in early November 2023. It was suggested that the workshop be during the week because of government work schedules and be available virtually and at a physical location like the Smyrna Police Station, Smyrna Fire Company, or Opera House and virtually.

Status of other action plan items from May 25, 2023-

1. Action item 2 & 3- Rick Horsey will recommend to Mayor and Council they eliminate the requirement to record restrictive deed covenants on RDA Façade Grants. Let Barrett know of RDA recommendation and ask for his thoughts. Discussion: The purpose of Façade grants is to encourage property owners to reinvest in their properties to remove blight and distress. There is a restrictive deed covenant for Façade grants to ensure that if the property is sold within five years that the property owner would reimburse the RDA for any grant monies they received. It has brought to our attention that the Town is expensing \$77 for recording of restrictive deed covenants (The expense is approximately \$700-800 per year). According to the finance department, from 2019 to 2021, the RDA was reimbursed \$8,000 in grant monies and the Town expensed \$2,464 in recording fees. We don't want to discourage property owners from reinvesting in their properties and don't know of any property owners that have not reinvested because of the restrictive deed covenant.

Motion was made by Fred Schaber and seconded by Sharon Wright to recommend to Mayor and Town Council to keep recording the Restrictive Deed covenant and to deduct the recording fee from the grant monies.

Motion was approved.

- ✓ Action item 7- Rick will report to Mayor and Council once a month on the status of goals. Completed
- ✓ Action item 8- Sharon and Rick will write a letter and meet with the Ide's to let them know about RDA's decision about their loan. Completed June 9th
- ✓ Action item 9- David Thomas will go to PNC bank to sign the authorization cards for RDA accounts.
- ✓ Action item 10- Jeremy will check to see if mixed use is permitted by True Access Capital. It is permitted.
- ✓ Action item 11- Rick Ferrell will ask David from True Access Capital to come down to an RDA meeting for discussion about loans. Rick invited Lorenzo Merino who gave us a presentation on June 29th.

- ✓ Action item 12- Jeremy will email Letitia Nichols to see if church is qualified for a USDA Community Facilities Grant. Jeremy and Rick will schedule a meeting with Dr Charles Konadu-Adjei.

New Business- No new business discussed

Next Meeting- August 10, 2023 at 6PM

Adjournment- Motion to adjourn made by Sharon Wright and seconded by Fred Schaber.
Motion was approved.