



Minutes
National Housing Development Trust Board of Directors Meeting
Thursday, April 17 2014

1. Call to Order

The Chairman called the meeting to order at 11:50 a.m.

2. Attendance

Name	Initials	Title	In Attendance	Apologies
Mr. George A. Powell	GP	Chairman	✓	
Mr. Kearney S. Gomez	KG	Deputy Chairman	✓	
Mr. Teddie C. Ebanks	TE	Director		✓
Mr. Harwell A. McCoy	HM	Director	✓	
Ms. Lucille Barnes Rico	LR	Director	✓	
Ms. Louise Christine Burke-Richardson	LB	Director	✓	
Mr. Rayburn Farrington	RF	Director	✓	
Mr. Allan Bush	AB	Director		✓
Deputy Chief Officer, PLAHI Mrs. Leyda Nicholson-Makasare	LM	Ministry's Representative (PLAHI)	✓	
Ministry of PLAHI Designate Mrs. Tanya Vasquez-Ebanks	TV-E	Ministry's Representative (PLAHI)	✓	
Financial Secretary's Office Designate – Mr. Randy Myles	RM	FS's Office Representative	✓	
Mr. Julio Ramos	JR	General Manager/ Secretary	✓	

3. Welcome and Prayer

The welcome and prayer were done by **GP & HM**

4. Chairman's Opening Remarks

The Chairman thanked everyone for attending.

5. Formal Approval of the Previous Board Meeting

Minutes of the Board of Directors meeting held on March 20, 2014 were reviewed and confirmed with minor edits.

Moved: RF

Second: LB

Agreed: ALL Present



6. Matters arising from the last Board Meeting were reviewed and discussed as follows:

6.1 Revaluation of the NHDT Eastern Avenue Property (Block13E Parcel166): The valuation report as presented from the Land & Survey Department along with the valuations from 2 independent valuers was reviewed and on sight was not feasible as the valuation was significantly low at \$680k market value based on the existing planning zone of High Density Residential and \$1.9m market value based on rezoning to General Commercial. It was also noted that the valuation amounts are driven by the current market trends and in comparison to the previous year's land value has decreased.

Agreed: Pursue the Ministry on the relevant process to put the NHDT Eastern Avenue Property up for sale.

Also follow up with the Ministry to confirm the Cayman Islands Government intent on the two adjoining lots (Block 13E Parcel 152 & 151) and willingness to vest to the NHDT. If the CIG is willing to Vest then these will be amalgamated to the NHDT Eastern Avenue Property and put up for sale.

6.2 Update on Easement Grant for the Bodden Town Housing Site. – Little to no progress was made on the required easement grant for the Bodden Town Housing Site as there was nothing resolved with the adjoining land owners. The Board was advised and provided with a copy of a consent letter dated in 2011 that was signed off and agreed with one of the adjoining land owners. It was pointed out that despite agreeing to this easement access the adjoining land owner is seeking compensation in exchange for registering the required access.

It was further pointed out that the main issue on the easement grant emanates from the Authorities outlining that the Bodden Town affordable housing site must have 2 registered easement access (for an entrance & exit) from various access points. It was argued that that this is not consistent as there are other developments across the island that have not complied with this requirement.

Agreed: The NHDT will formally request to the Central Planning Authority to release the NHDT from the easement grant restrictions, on the basis that the current approved access through the gazetted Sitwell Road (via the Belford Estate development) be registered as the principal road.

6.3 NHDT Outstanding Output from prior period - As a follow up on the request for the NHDT to be refunded approximately \$450k for prior Outputs/Operational Amounts, it was pointed out that the Trust will need to write off these balances as the prior Ministry did not accrue for these outputs.

Concerns were raised with respect to these outstanding amounts in that the Trust has been underfunded for its operations and as a result will need to write these balances thereby affecting the financial position of the Trust and posing a potential audit point in the current audit review that is being conducted.

The representative from the NHDT's newly appointed Ministry of PLAHI confirmed that upon reviewing the prior billing for these amounts, the Trust provided the required and supporting documentation to justify their billing; however it was unfortunate that these were not process by the previous Ministry. The representative further pointed out that the newly appointed Ministry has processed and honored NHDT's current billings.

Agreed: Obtain the relevant confirmation on these outstanding amounts as support for the write off on our books.

7. **Audit & Accounts Report –** The Audit & Account Report update was circulated and reviewed briefly and due to Boards’ time constraints the matters mentioned were deferred.

Agreed: The 2012-13 Draft Financials and Financial matters will be reviewed by the Board at later date.

8. **Affordable Housing Initiative Program (AHI) Program –** An over view of the Client Application Review & Assessment was presented by the Chairlady of the Committee and the following were concluded:

1. The Committee was thanked for their time and efforts in this assessment exercise, to date the committee has met 5 occasions.
2. A thorough exercise was conducted in effort to be consistent with review process and to address any potential FOI queries and any potential bill of right claims.
3. Below is an overview of the Committee’s finding on the review of the first set of 100 Client application/file assessments.

Finance Committee - AHI Applications/File Review:

Meeting Dates	Approved for Short Listing	Denied	Deferred	Closed	Next Batch	Grand Total
26-Mar-14	-	20	4	-	-	24
2-Apr-14	4	10	5	6	3	28
9-Apr-14	6	5	-	-	-	11
14-Apr-14	6	14	1	-	-	21
16-Apr-14	5	10	1	-	-	16
Grand Total	21	59	11	6	3	100

Committee's Decision

Approved for Short Listing	The applications met the general criteria and have been approved for short listing. The Trust will be tasked with updating information prior to Final Approval process.
Denied	The application did not meet the general AHI criteria and some clients could not be contacted for further information.
Deferred	Further confirmation required to complete the assessment process for these applications.
Closed	Application closed as the applicants have expressed they are no longer interested in the AHI program.
Next Batch	Application Deferred - to be reviewed in the next batch



**The Committee's Observations on the Client Assessments:
Client Review:**

- **Denied:** The first meeting was to review individual that earn less than \$2000 per month, for which that the majority of these individuals would not qualify for the required mortgage due to their income
- **Closed Out Cases:** Other individuals have move on, hence their files will now be closed.
- **Disclosure of Information:** Some Clients did not reflect realistic living expenses and some choose not to include their spouse on their application.
- **Delays -** Whilst a significant amount of application & files were reviewed there were delays due to the following:
 - **Recalculation of Client Financial assessment** required to encompass the possibility of refinancing of Clients Loans with the proposed AHI House Sale.
 - **File Notes -** Clients were deferred as applications were not fully completed. Instruction were given to have request that the missing information be provided within 2 weeks
 - **Administration:** It was observed that continuous errors in the reviews were being made by the Administrators and these need to fine tuned and addressed at the operations level. The Committee is of the view that if an oversight is required then the work being presented needs to be structured and organized.
- **The next Committee meeting:** The Committee strongly outlined that they will not meet until applications are fully assessed, reviewed and all the relevant information provided.

The GM made note of the observation as it relates to the Administration and outlined that the recommendation will be duly noted. He further outlined that in hindsight the issues categorized as administrative error are minimal considering that out of the 100 only 11 were deferred pending further internal review. In addition to this the applications reviewed date back to as early 2005 hence it has been a tedious task as the Administrators have had to present the applications in line with the Committees required format.

It was recommended that the staff be provided relevant training by way of workshops or referral to participating banks to properly align and train staff with the current best banking practices. In addition to this it was also called upon to the Board to meet with the Staff to have a discussion on the approaches and direction that the Trust will be taking.



9. Government Guarantee Home Assistant Mortgage (GGHAM) Program- The following was provided:

A few of the participating banks have requested that the Clients accumulated property insurance and strata fees be refinanced into the mortgages. Reservations were made in that if the refinancing approved the Clients would take longer to repay their mortgage. It was further pointed out that GGHAM agreement provided that Banks can exercise this option.

Agreed: Recommend that the banks work along with the Clients without having to re-write the government guaranteed home assistant mortgage. Also to further liaise with the CIG Finance Position on this.

10. Property Management & Projects

The Project works has been minimal as the Trust has been undertaken remedial work on the vacant properties. The Property maintenance has been constant as the Trust has limited its maintenance work to the Old AHI Site and has resorted to upkeep of the common areas of the Sites and remedial work to the houses that have been rented out.

11. Other Matters


- **Client Request for approval to establish a business on AHI House:-** Approval was given on the condition that she obtain planning approval and operates her business within the parameters of her request.
- **Cash Previous Cash Discrepancy:** Support schedules were requested for the Chairman to pursue the matter with private counsel. In addition to this instruction were given to advise the Audit on this matter. The GM confirmed that the matter was already referred to the AOG's Office.

12. Adjournment

The meeting adjourned at 1:40pm.

13. Next Meeting


The next Board of Directors Meeting will be held on May 15, 2014, at 11:00am.



George Anthony Powell
Chairman

15/5/2014

Date



Julio Ramos
General Manager

15/5/2014

Date

