THE CITY COMMISSION
CITY OF PARIS, TENNESSEE
March 6, 2014
REGULAR MEETING

The Board of Commissioners of the City of Paris, Tennessee met in regular session Thursday, February 6, 2014 at 6:00 p.m. in the City Hall Courtroom of the City of Paris, Tennessee for the purpose of conducting the following and any other business:

OLD BUSINESS:

1. FY 2014 Budget Amendment Number 1 (Second Reading)

NEW BUSINESS:

1. Financial Update
2. Appointments to Boards
3. Municipal Election
4. Resolution Regulating Fees Charged in the Police Audit Formula Required by the State of Tennessee
5. Resolution to Adopt the Policies and Procedures for the CDBG Housing Rehabilitation Grant

Present: Mayor Sam Tharpe
Vice Mayor Gayle Griffith
Commissioner Pete Lackey
Commissioner Carlton Gerrell
Commissioner Terry Fuller

Also Present: Carl Holder, City Manager
Fred McLean, City Attorney
Kim Foster, Finance Director
Willette Ray, Administrative Assistant to the City Manager
Jennifer Morris, Community Development Director

Media: Bill McCutcheon, The Paris Post-Intelligencer
Tim Alsobrooks, WMUF
Shannon McFarlin, WTPR

Mayor Tharpe called the meeting to order. The Pledge of Allegiance was led by Commissioner Lackey and a Moment of Silence was observed.

APPROVAL OF MINUTES

The minutes of the previous meeting held Thursday, February 6, 2014 were approved with a correction following a motion by Commissioner Lackey and seconded by Commissioner Fuller. The motion carried unanimously.

COMMENTS FROM CITIZENS & PUBLIC

No Comments

COMMENTS FROM THE COMMISSION

The subject of the retirement of City Manager Carl Holder was discussed. He stated that he will retire officially on July 1, 2015 with his last day working on May 1, 2015. The Commission stated that they were looking for direction from Holder. He suggested training the Finance Director Kim Foster in all aspects of the City and as a possible candidate for the position of City Manager.

Commissioner Fuller stated that he did not want the City to be in the situation it was in a few years go and that it would be good to have a good number two person to rely on. He also said that he would like for Holder to prepare a job description written for Foster and proper compensation information provided.

Vice Mayor Griffith indicated that he was pleased with how Foster had gained knowledge about the operation of the City. He replied that he had no problem with her being the next City Manager, but needed to start training immediately.

Commissioner Gerrell informed the Commission to realize what we were getting into. With no reflection on Foster, he said that a good Finance Director may not make a good City Manager.

Commissioner Lackey asked the Commission to train for backup and to keep an open mind. He suggested a timeline be given.

Mayor Tharpe stated that he was pleased with the job that Foster was doing.

Foster replied that she was thankful for the opportunity for being able to mentor with Holder, and also that she wanted to be exposed to the various aspects of the City.

After further discussion, Mayor Tharpe requested from Holder a job description of the City Manager position and a training description for the assistant to be presented at next month's meeting scheduled for Thursday, April 3, 2014.

Mayor Tharpe stated that prayers went up for Vice Mayor Griffith and to continue to prayer for him and his wife. Commissioner Fuller said that he was very thankful that Griffith was present with the Commission.

Vice Mayor Griffith wanted to thank everyone for their prayers and concerns. He appreciated the Public Works Department for the great work they did with the snow removal, and stated that they had put in many man hours.

OLD BUSINESS

FY 2014 BUDGET AMENDMENT NUMBER 1 (SECOND READING)

At the February Commission Meeting, Commissioner Fuller made a motion to approve the Amendment on First Reading. Commissioner Lackey seconded the motion which carried unanimously.

This was presented at this month's meeting for a Public Hearing and a Second Reading.

After a brief discussion, Commissioner Fuller made a motion which seconded by Commissioner Gerrell to approve the Amendment. The motion carried unanimously.

ORDINANCE NO. 1168

AN ORDINANCE TO AMEND THE CITY OF PARIS FISCAL YEAR
2013– 2014 BUDGET

WHEREAS, *Tennessee Code Annotated* Title 9 Chapter 1 Section 116 requires that all funds of the State of Tennessee and all its political subdivisions shall first be appropriated before being expended and that only funds that are available shall be appropriated; and

WHEREAS, the Municipal Budget Law of 1982 requires that the governing body of each municipality amend the annual budget ordinance to insure compliance with the relating lawful expenditures,

NOW THEREFORE BE IT ORDAINED BY THE CITY OF PARIS, TENNESSEE AS FOLLOWS:

Section 1. The FY 2013 – 2014 Budget Ordinance, Section 2 shall be amended by deleting Section 2 in its entirety:

	General			Solid Waste		
Fund	**FY 2012 Audited**	**FY 2013 Budget**	**FY 2014 Proposed**	**FY 2012 Audited**	**FY 2013 Budget**	**FY 2014 Proposed**
Revenues						
Local Taxes	$6,376,544	$6,613,500	$6,608,000			
State of TN	1,201,189	1,768,000	1,564,000			
Federal Government	457,638	177,250	159,250			
Other Sources	7,810,735	7,427,940	2,422,700	1,702,058	1,593,375	1,572,875
Total Revenues	***$15,846,106***	***$15,986,690***	***$10,753,950***	***$1,702,058***	***$1,593,375***	***$1,572,875***
Expenditures						
Salaries	$4,105,068	$4,253,040	$4,485,964	$358,350	$364,462	$385,525
Other	11,299,438	11,702,143	6,493,120	1,326,461	1,013,659	934,281
Total Expenditures	***$15,404,506***	***$15,955,183***	***$10,979,084***	***$1,684,811***	***$1,378,121***	***$1,319,806***
Beginning Fund Balance	$2,004,733	$2,446,333	$2,477,840	$1,827,164	$1,844,411	$2,059,665
Ending Fund Balance	2,446,333	2,477,840	2,252,706	1,844,411	2,059,665	2,312,734
No. of FTE Employees	107	108		11	11	11

Fund	Drug			Cemetery		
	FY 2012 Audited	FY 2013 Budget	FY 2014 Proposed	FY 2012 Audited	FY 2013 Budget	FY 2014 Proposed
Revenues						
Local Taxes						
State of TN						
Federal Government						
Other Sources	$53,304	$52,075	$60,100	$670	$600	$400
Total Revenues	**$53,304**	**$52,075**	**$60,100**	**$670**	**$600**	**$400**

Expenditures						
Salaries						
Other	$81,185	$89,250	$82,050	$0	$0	$0
Total Expenditures	**$81,185**	**$89,250**	**$82,050**	**$0**	**$0**	**$0**
Beginning Fund Balance	$151,653	$123,772	$86,597	$180,910	$181,580	$182,180
Ending Fund Balance	$123,772	$86,597	$64,647	$181,580	$182,180	$182,580
No. of FTE Employees	0	0	0	0	0	0

Section 2. The City of Paris City Commission does hereby amend the following estimate of revenues, estimated unencumbered fund balances, and expenditures as follows:

General Fund Revenues shall be amended as follows:

BPU In Lieu of Taxes shall increase by $45,000
Local Option Sales Tax shall decrease by $150,000
Wholesale Liquor Tax shall decrease by $50,000
Cable TV Franchise Fees shall increase by $10,000
Joy Street Signalization Grant shall increase by $180,000
TML Safety Grant shall decrease by $2,000
State Income Tax shall increase by $12,000
ESN 122 Membership Fees shall increase by $8,000
Demo / Property Maint Fees shall decrease by $30,000
E911 Dispatchers Reimbursement shall increase by $7,000
Bethel Lease shall be increased by $5,536,000
P-HC Industrial Comm Reimbursement shall increase by $30,000
Contributions to Bethel / HCMC Project shall increase by $106,000
Bethel's Contributions to Project shall increase by $223,300

We will add revenue line items in the General Fund as follows:

BAP-Art Place America Grant shall be $50,000
BAP-Sponsors & Contributions shall be $10,000

General Fund Expenditures are amended as follows:

General Administration Sundry Contractual will decrease by $5,000
General Administration Capital Expenditures will increase by $13,500
Economic Development Salaries & Employer Cont's will increase by $30,000
City Hall Contractual Services will increase by $3,000
City Hall Capital Expenditures will increase by $3,000
Building Inspection Demo Services will decrease by $40,000
Street Department Fuel will increase by $25,000
SSA Asphalt & Asphalt Filler will increase by $20,000
Health & Animal Control Capital Expenditures will increase by $2,000
In the area of Community Development, the following amendments will be made:
- Bethel / HCMC Project will increase by $329,400
- Joy Street Signalization will increase by $126,000
- Purchase of E. Washington Property will be added at $3,000
- Hazlewood Development will be added at $1,750
- Back Alley Paris will be added at $60,000

Debt Service Interest on Bonded Debt will decrease by $328,700
Debt Service Principal on Bond Debt will increase by $5,820,000
Insurance Expenditures across all departments collectively will increase by $13,615

Solid Waste Fund Expenses are amended as follows:

Refuse Capital Expenses will decrease by $80,000
Refuse Contractual Services will increase by $60,000
Landfill Salaries & Employer Cont's will increase by $21,300

Landfill Capital Expenses will increase by $164,500

Cemetery Fund Expenses will increase by $1,000

So that Section 2 shall read as follows:

Fund	General			Solid Waste		
	FY 2012 Audited	FY 2013 Budget	FY 2014 Proposed	FY 2012 Audited	FY 2013 Budget	FY 2014 Proposed
Revenues						
Local Taxes	$6,376,544	$6,613,500	$6,463,000			
State of TN	1,201,189	1,768,000	1,576,000			
Federal Government	457,638	177,250	339,250			
Other Sources	7,810,735	7,427,940	8,361,000	1,702,058	1,593,375	1,572,875
Total Revenues	***$15,846,106***	***$15,986,690***	***$16,739,250***	***$1,702,058***	***$1,593,375***	***$1,572,875***
Expenditures						
Salaries	$4,105,068	$4,253,040	$4,505,964	$358,350	$364,462	$402,525
Other	11,299,438	11,702,143	12,549,408	1,326,461	1,013,659	1,077,291
Total Expenditures	***$15,404,506***	***$15,955,183***	***$17,055,372***	***$1,684,811***	***$1,378,121***	***$1,479,816***
Beginning Fund Balance	$2,004,733	$2,446,333	$2,477,840	$1,827,164	$1,844,411	$2,059,665
Ending Fund Balance	2,446,333	2,477,840	2,161,718	1,844,411	2,059,665	2,152,724
No. of FTE Employees	107	108		11	11	11

Expenditures						
Salaries						
Other	$81,185	$89,250	$82,050	$0	$0	$1,000
Total Expenditures	**$81,185**	**$89,250**	**$82,050**	**$0**	**$0**	**$1,000**
Beginning Fund Balance	$151,653	$123,772	$86,597	$180,910	$181,580	$182,180
Ending Fund Balance	$123,772	$86,597	$64,647	$181,580	$182,180	$181,580
No. of FTE Employees	0	0	0	0	0	0

Fund	Drug			Cemetery		
	FY 2012 Audited	FY 2013 Budget	FY 2014 Proposed	FY 2012 Audited	FY 2013 Budget	FY 2014 Proposed
Revenues						
Local Taxes						
State of TN						
Federal Government						
Other Sources	$53,304	$52,075	$60,100	$670	$600	$400
Total Revenues	**$53,304**	**$52,075**	**$60,100**	**$670**	**$600**	**$400**

Expenditures						
Salaries						
Other	$81,185	$89,250	$82,050	$0	$0	$1,000
Total Expenditures	**$81,185**	**$89,250**	**$82,050**	**$0**	**$0**	**$1,000**
Beginning Fund Balance	$151,653	$123,772	$86,597	$180,910	$181,580	$182,180
Ending Fund Balance	$123,772	$86,597	$64,647	$181,580	$182,180	$181,580
No. of FTE Employees	0	0	0	0	0	0

Section 3. The current Section 3 shall be deleted in its entirety:

General Fund	$13,231,790
Solid Waste Fund	3,632,540
Drug Fund	146,697
Cemetery Fund	182,580
Total All Funds	***$17,193,607***

Section 3 is amended as follows:

General Fund	$19,217,090
Solid Waste Fund	3,632,540
Drug Fund	146,697
Cemetery Fund	182,580
Total All Funds	**$ 23,178,907**

SECTION 4. All encumbered balances of appropriations remaining at the end of the fiscal year shall lapse and revert to the respective fund balances.

SECTION 5. This ordinance shall take effect March 6, 2014 the public welfare requiring it.

Passed and adopted February 6, 2014.

Passed and adopted March 6, 2014.

/s/Samuel Tharpe
Mayor

/s/Kim Foster
Finance Director

FINANCIAL UPDATE

Finance Director Kim Foster reported that the City finished on a high note with the largest retail sales number in history for Paris! We were almost 2% ahead of December 2012, and over six million more in sales than November 2013. Overall, we still finished 2013 almost 2% behind 2012, but we made up considerable ground in the last quarter where we finished 1.35% ahead of fourth quarter 2012 sales.

Revenues, after being adjusted for extraordinary items, are at 55.66% of budget in the General Fund and are at 58.37% of budget in the Solid Waste Fund. Expenditures, after adjustments, are at 56.82% of budget in the General Fund and at 62.47% of budget in the Solid Waste Fund.

Foster stated even though expenditures exceed revenues YTD by almost $238,000, we made good progress in closing this gap this month. In relation to this, please remember that we planned approximately $225,000 in expenses above anticipated revenues in the General Fund due to completion of the last phase of the Highway 218 By-Pass. Please also remember that we have not yet passed the budget amendment first introduced in February, to be reviewed again and hopefully passed at the March Commission meeting,. The numbers that were reported are still in relation to the original budget.

Holder stated that February's tax collections will be included in next month's figures.

APPOINTMENTS TO BOARDS - EXPLANATION

The City of Paris – County of Henry adopted a joint resolution (Resolution No. 1410) to establish a Code of Ethics as required by an Act adopted by the 2006 General Assembly. This Resolution calls for the selection of a jointly appointed Ethics Officer to server a five –year term, first commencing on July 1, 2007.

The appointment is by the City of Paris and the Henry County Mayors. The position is currently vacant and the unexpired term of Mr. Lee Greer needs to be filled to run July 1, 2014.

Mayor Greer and Mayor Tharpe have agreed on the Reverend Rob Martin who has agreed to serve.

The Commission agreed with the selection. No further action was necessary.

MUNICIPAL ELECTION

The Municipal Election information was presented by City Attorney Fred McLean. Included in the agenda was a Memo that was sent to City Manager Holder pertaining to the Municipal Election as follows and a copy of the 2014 Election Schedule was submitted by Registrar Darrin Thompson for review.

The benefits of holding the municipal election on the same date as the November election are: (1) increase in voter participation, and (2) cutting down the costs of the election.

MEMO

TO: CARL HOLDER, CITY MANAGER

FROM: FRED N. McLEAN, CITY ATTORNEY

DATE: March 5, 2014

RE: MUNICIPAL ELECTIONS AND FINANCIAL DISCLOSURE

The City of Paris has begun holding its municipal election on the same date as the November general election. The November general election this year will be held on November 4, 2014. I have checked with Registrar Darrin Thompson and obtained specific information from him regarding the requirements if the City of Paris wishes to hold its municipal election on November 4, 2014.

The Charter for the City of Paris, Tennessee, in Title 6-20-102, requires the Board of Commissioners to fix the date of election to the Board of Commissioners during a period of time which falls within ninety (90) days of the date of the anniversary of the first election of the Board of Commissioners. The first election of the Board of Commissioners was held on December 17, 1946, and all subsequent elections must be held during the period of time between September 18th and March 17th.

This means that our charter would allow us to schedule municipal elections on November 4, 2014. The cost to the city of scheduling the election on November 4, 2014 would be substantially less than if we scheduled a "stand alone" city election on another date.

The charter requires the Board of Commissioners to pass an ordinance to call a municipal election or allows for the passage of an ordinance to call elections by resolution. The Board of Commissioners passed Ordinance 556 on December 11, 1980, allowing future elections to be called by resolution, thus removing the necessity of passing a new ordinance on two (2) readings each time an election is called. I have provided a proposed resolution for the Board's consideration calling the election on November 4, 2014. This resolution would need to be placed on a city commission agenda for a vote by the commission. A copy of this resolution should be forwarded to the Henry County Election Commission after passage and the Election Commission, under the general state laws governing elections, handles the subsequent procedures.

After notification by the city of the November 4, 2014, election date, the County Election Commission must publish notice of the election for municipal office at least one hundred (100) days prior to the date of the election. Candidates may pick up a nominating petition beginning May 23, 2014. Candidates must file their nominating petitions by 12:00 noon on the third Thursday in the third calendar month before the date of the election. Mr. Thompson has advised that nominating petitions must be filed in his office by 12:00 noon on August 21, 2014.

The nominating petition must be signed by the candidate and include the signatures of at least twenty-five (25) registered voters who are eligible to vote in such an election. State election laws control the manner in which a nominating petition is obtained. Either a candidate or a designated representative must pick up the original petition. No copy of a petition can be used by the candidate. Mr. Thompson is required to fill out the information on the nominating petition form, such as the candidate's name, office the candidate is running for, and the date of the election. If additional nominating petitions are needed by the candidate, the process has to be repeated through Mr. Thompson.

The Tennessee Campaign Financial Disclosure Act controls election expenditures and the following is a brief outline of the requirements for complying with this Act. Anyone who is running for public office must file a financial report with the state. The only exception, pursuant to T.C.A. 2-10-101 (b), is if the office has a salary of less than one thousand dollars (1,000.00) monthly and less than one thousand dollars ($1,000.00) is spent on the campaign and the office is part-time and not that of mayor. A candidate has to file two (2) separate types of financial forms: a treasurer's appointment form is required before any money is collected or spent and a report of receipts and expenditures is required at various deadline dates.

The treasurer's appointment form requires a candidate name someone to be responsible for keeping financial records before any money is received or spent. A candidate may appoint himself or herself as political treasurer. The financial reports are required to be filed at least twice during a candidate's elective effort. Mr. Thompson recommends that any candidate contact him directly regarding financial reporting. He will tell the candidate when all reporting forms should be filed. He will also provide the candidate with the appropriate forms for filing. He also indicates that he will be reminding all candidates, shortly before a report form is due, of the reporting deadline.

These forms should be filed with the County Election Commission. All subsequent forms required under the law would also be filed with the County Election Commission. It is important to remember that any funds expended either from contributions or from the candidate's own funds are defined as contributions. Further, candidates must remember that they can neither accept contributions nor spend any money until the treasurer's appointment form is completed and filed.

In addition, candidates must fill out a statement of interest form. This form must be used to report all interests required to be disclosed under the Conflict of Interest Disclosure Act, T.C.A. 8-50-501, et seq. The statement of interest form must be filed with the Bureau of Ethics and Campaign Finance in Nashville, Tennessee. The County Election Commission requests a copy of this original form. This form may also be obtained from the County Election Commission.

Darrin Thompson prepared a 2014 Election Schedule. This schedule shows the deadline dates for all City, County, and State elections. A copy of this Election Schedule was attached for review.

STATE OF TENNESSEE / 2014 ELECTION SCHEDULE							
Election Date	Election	First date to pick up petitions	Qualifying deadline date	Withdraw deadline date	Last date to register to vote	Early voting period	Offices to be elected
May 6, 2014	County Primary	November 22, 2013	February 20, 2014 (12:00 NOON)	February 27, 2014 (12:00 NOON)	April 7, 2014	April 16 thru May 1, 2014	- Mayor -Sheriff - Circuit Court Clerk -County Clerk -Co Trustee -Register of Deeds -Gen Sess./Juv. Judge
August 7, 2014	State Primary	January 3, 2014	April 3, 2014 (12:00 NOON)	April 10, 2014 (12:00 NOON)	July 8, 2014	July 18 thru August 2, 2014	-Governor -US Senate -US House of Rep -State House of Rep -State Committee Person(s)
	County General						- Mayor -Sheriff - Circuit Court Clerk -County Clerk -Trustee -Register of Deeds -Gen Sess./Juv. Judge -Circuit Court Judge Part 1 & Part 2 -Chancery Judge -Attorney General -Public Defender -County Commission (1-5) -Road Board Commission (1,3) -Constable (1-5 -Co School Board (1,4) -PSSD School Board (3 spots)
November 4, 2014	State General /Municipal	May 23, 2014	August 21, 2014 (12:00 NOON)	August 28, 2014 (12:00 NOON)	October 6, 2014	October 15 thru October 30, 2014	-Governor -US Senate -US House of Rep -State House of Rep -Paris City Commission (3 spots) -Henry & Puryear City Declaration

After a lengthy discussion, Vice Mayor Griffith made a motion to approve setting the Municipal Election on the same date as the November Election. The motion was seconded by Commissioner Lackey and was unanimously approved.

City Attorney McLean instructed Foster to submit a certified copy of Resolution 1533 to the Registrar's Office.

RESOLUTION NO. 1533

WHEREAS, the Board of Commissioners of the City of Paris, Tennessee, have provided a procedure, pursuant to Ordinance No. 556, for the calling by the County Election Commission of municipal elections by passage of an appropriate resolution; and,

WHEREAS, the Board of Commissioners of the City of Paris, Tennessee, hereby directs the County Election Commission to make the necessary arrangements for holding a municipal election for the election of three (3) commissioners for the City of Paris, Tennessee; and,

WHEREAS, the Board of Commissioners of the City of Paris, Tennessee, directs the County Election Commission to make the necessary arrangements for holding said election in a manner prescribed by statute on November 4, 2014.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the City of Paris, Tennessee, go on record, pursuant to Ordinance No. 556, as directing the County Election Commission to hold an election for the purpose of electing three (3) commissioners for the City of Paris, Tennessee, said election to be held on November 4, 2014.

This the 6th day of March, 2014.

/s/Samuel Tharpe
Mayor

/s/Kim Foster
Finance Director

RESOLUTION REGULATING FEES CHARGED IN THE POLICE AUDIT FORMULA REQUIRED BY THE STATE OF TENNESSEE

A Resolution requesting approval from the City Commission on behalf of the Paris Police Department regulating the fees charged in the police audit formula required by the State of Tennessee in TCA 40-33-211 was presented.

City Manager Holder presented details on this requirement by the State.

After a brief discussion, Commissioner Fuller made a motion which was seconded by Vice Mayor to approve the Resolution. The motion carried unanimously.

RESOLUTION NO. 1534

RESOLUTION AUTHORIZING THE CITY OF PARIS POLICE DEPARTMENT TO REGULATE FEES CHARGED REQUIRED BY THE STATE OF TENNESSEE REGARDING SEIZED PROPERTY

WHEREAS, the City of Paris Board of Commissioners recognizes that the seizure of property and vehicles as set forth in TCA 40-33-211 is a normal function of the Police Department; and

WHEREAS, the Chief of Police of the City of Paris Police Department requests that certain fees be set by the City Commission of the City of Paris; and

WHEREAS, the Chief of Police of the City of Paris Police Department requests that the daily storage fee be set at the dollar amount of $25.00 (twenty-five dollars) a day; and

WHEREAS, the Chief of Police of the City of Paris Police Department requests that the winter service fee be set at the dollar amount of $50.00 (fifty dollars) if one is performed on a vehicle; and

NOW THEREFORE BE IT RESOLVED that the Mayor and the Commission of the City of Paris, Tennessee hereby set the figures for the daily storage and the winter service fee respectively at the amounts of $25.00 and $50.00 beginning Tuesday, July 1, 2014 and continuing unless changed by a future resolution or modification of this Resolution on this the 6th day of March 2014.

/s/Samuel Tharpe
Mayor

/s/Kim Foster
Finance Director

RESOLUTION TO ADOPT THE POLICIES AND PROCEDURES FOR THE CDBG HOUSING REHABILITATION GRANT

Included in the agenda for discussion was a Resolution to adopt the Policies and Procedures for the Community Development Block Grant (CDBG) and the policies and procedures relating to the grant. Also included was a map of the Target Area.

After a brief discussion, Commissioner Fuller made a motion which was seconded by Vice Mayor Griffith to approve the Resolution and adoption of the policies and procedures. The motion carried unanimously.

RESOLUTION NO. 1535

RESOLUTION TO ADOPT THE POLICIES AND PROCEDURES FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) HOUSING REHABILTATION PROGRAM

WHEREAS, the Department of Housing and Urban Development (HUD) annually funds the Community Development Block Grant (CDBG) program to provide funds to the Tennessee Department of Economic and Community Development (ECD) for projects that benefit low income persons ; and

WHEREAS, the City of Paris has affordable housing needs that can be addressed with CDBG funds; and

WHEREAS, the ECD has awarded the City of Paris $500,000 for a housing rehabilitation program; and

NOW THEREFORE BE IT RESOLVED by the legislative body of the City of Paris, Tennessee that the attached Policies and Procedures be adopted for the administration of a homeowner housing rehabilitation program for the Target Area.

This Resolution is read and adopted at this public meeting on this the 6th day of March 2014.

/s/Samuel Tharpe
Mayor

/s/Kim Foster
Finance Director

2013 PARIS, TENNESSEE
COMMUNITY DEVELOPMENT BLOCK GRANT
HOUSING REHABILITATION PROGRAM

Background
The City has been awarded $500,000 from the Tennessee Department of Economic and Community Development (ECD) for a Community Development Block Grant (CDBG) grant for owner-occupied housing repairs within the designated Target Area as submitted in the application to ECD. (See last page for location of Target Area and names of potential applicants).

Qualifications for Assistance
To be eligible for the target-area program the homeowner must meet five (5) standards set by HUD and ECD. The minimum standards are as follows:

1. **A household must be judged low-income by HUD guidelines.**

2013 Income Limits for Henry County
(Household Income is based on Number of Persons in the Household)

1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
$27,450	**$31,400**	**$35,300**	**$39,200**	**$42,350**	**$45,500**	**$48,650**	**$51,750**

It will be the applicant's responsibility to prove the household's income. They will need to provide copies of their latest paycheck stubs, employer verification, SSI benefit verification, or benefit/retirement stubs documenting the household's current income.

2. **They must own their home and occupied the house for one year before they can submit an application.**

A Warranty Deed, Quit Claim Deed or 99 year lease are the only recognized proof of ownership by ECD. The residency requirement is from the date of the homeowner's application, back one year.

3. **Their home must be in need of repairs to either make it safe, to prevent it from decaying or to meet the latest building codes.**

There must be items wrong with the basic building structures such as: roof, siding, foundation, electrical, plumbing, windows, doors, floors, ceilings, or walls. The program does not add additional bedrooms or bathrooms unless required by the building codes.

4. **All city and county taxes must be current.**

Copies of their Property Receipts will be required to be submitted with their application.

5. **There can not be a conflict-of-interest (favoritism)**

Immediate family member of any local city elected official or city employee that works in administration is ineligible to receive benefits through the program. "Immediate family member" means the spouse, parent (including stepparent), child (including stepchild), grandparent, grandchild, sister or brother (including a stepsister or stepbrother) of any covered individual.

General Rules
The following are some of the general rules the City must adopt:

1. The program will be a restricted to residents within the Target Area. (see attached map on last page)

2. Lead-based paint inspections will be conducted on all homes being rehabilitated that were built prior to 1978. If lead-based paint is found, then the homeowner may be required to move out of the house until the lead issue has been solved.

Forgivable Grants
In order to avoid real-estate speculation the following rules will apply to all persons receiving a grant of money for repairing their homes:

1. They will be required to sign a Grant Note for the cost of the repairs and allow the City to place a Trust Deed (lien) on the property. Terms of the note will be a "forgivable loan" to them for the amount of grant money used to pay for the repairs. They, in turn, agree not to sell or rent the home for five (5) years. This five years is called the "affordability period". The "forgivable loan" will be forgiven at 20% (1/5th) a year.

2. If they elect to sell or rent their home during the affordability period then they must repay the remaining unforgiven amount to the City.

3. If they were to die before their affordability period was up, as long as the ownership of their home passes to an heir, there is no required repayment. If the heir sells or rents the home before the affordability period is up, then repayment will be required, less any forgiven portion.

Public Meeting
A Public Meeting has been set for March 13 at 6:30 PM at City Hall. Those households that were identified in the application will be notified about the meeting. The policies and procedures of the program will be explained to all that attend. Applications have been sent to the homeowners.
After the Public Meeting the applications will be reviewed for completeness.

Ranking of Application
Based on the housing condition inspection and the information provided by applicants the applications will be scored as follows:

Income of the household (20-70 points)
Points awarded for percentage under income limits (lower the income the more points awarded)

80 – 100%	- 70 points
60 - 79%	- 60 points
40 - 59%	- 50 points
Less than 40%	- 20 points

Number in Household (5 – 45 points)

1 Person Household – 5 Points	5 Person Household – 30 Points
2 Person Household – 10 Points	6 Person Household – 35 Points
3 Person Household – 20 Points	7 Person Household – 40 Points
4 Person Household – 25 Points	8 Person Household – 45 Points

Number of Elderly (10 points per person)
For each person at least 62 years old at the time of application will receive 10 points.

Number of Handicapped/Disabled (10 points per person)
Household members receiving disability benefits from Social Security, a pension program, life insurance program, or a total or partial physical impairment which renders the person unable to work will receive 10 points. . Where there exist a reasonable question, a doctor's certification will be used. Old-age is not recognized as a program disability.

Female Head of Household (10 points per household)
Female head of households or households where the female has Power of Attorney will receive 10 points.

Number of Persons 18 or Younger (10 points per person)
For each person in the household 18 or younger at the time of the application will receive 10 points.

Condition of the Dwelling Structure (0 – 50 points)
Standard Dwelling – No Points
Substandard Dwelling – 15 – 30 Points
Life Threatening or Non-Repairable – 50 Points

Beginning the Program
When all applications have been ranked, each applicant will be notified of their score and place in the ranking. The program will begin with the highest scored application. Once that home has been taken care of, then the next highest score will be helped. This will continue until all the money has been spent.

Homeowner's Requirement
The homeowner must agree to the following:

1. Allow the contractor to use their existing utilities, such as water and electricity, when repairing the house.

2. Voluntarily move from their home if repairs and/or liabilities are extensive or lead-based paint is found or if their old home is torn down and a new one built for them.

3. If a move is required, the homeowner will be responsible for moving their household items into a provided storage trailer or storage building.

4. All fixtures being replaced by the program become the property of the contractor.

TYPICAL STEPS IN THE REHABILITATION PROGRAM

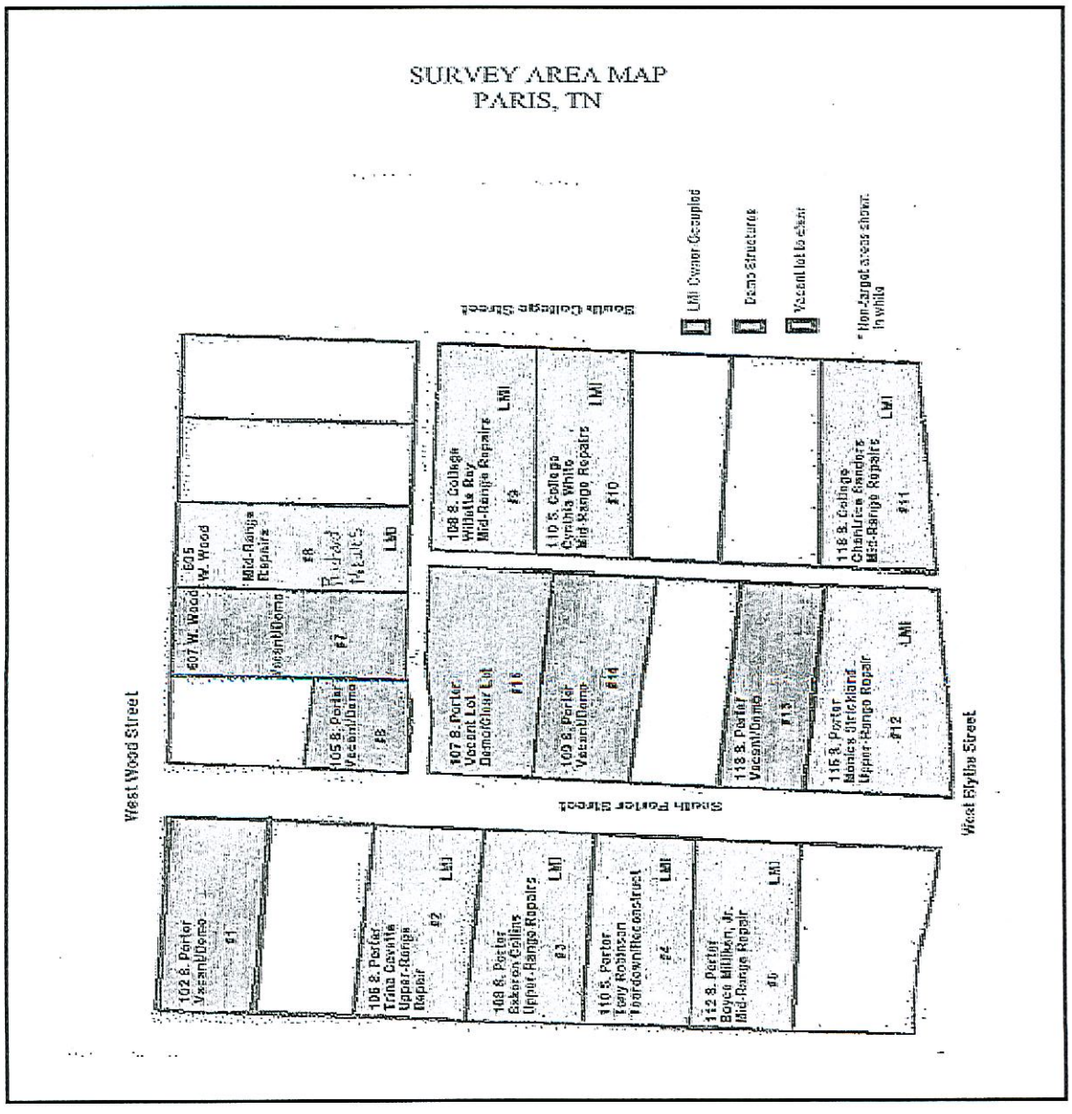
Nelson Community Development Group will set an appointment to visit with each homeowner at their home. We will conduct a thorough inspection of their home. We will go over items that will need to be repaired with the homeowners. We will get input from them on items they think need repairing also.

A Work-Write Up will put together by Nelson CD Group with an estimate of costs. This Work-Write Up will detail what items are to be repaired. After his/her acceptance, it will be reviewed with each homeowner before going to bid. Their Work-Write Up will be put to bid to contractors on the Program Eligible Contractor List.

After publicly opening bids at City Hall, a pre-construction meeting between the homeowner, the winning contractor and Nelson CD Group will be held at the City Hall. Construction contract, construction starting and finishing dates and etc. will be established. The work
write-up will be reviewed with all parties.

The contractor then begins the repairs/construction to homeowner's home.
When the job is satisfactorily completed, then the project is considered finished.

At this time all final papers are signed, the Trust Deed (lien) is filed and the Compliance Period begins for the five years on their home.



STATUS OF VARIOUS PROJECTS AND DEPARTMENTAL SUMMARIES

The Ongoing Project Update Sheet, as February 28, 2014 was presented for review.

ONGOING PROJECTS (as of 02-28-14)

	Item	Primary Staff	Target Completion Date(s)	Notes
1	Back Alley Paris Proposal	Holder / Morris	N/A	Major grant applications submitted; Denied Art Place America
2	Collinwood Drainage	Public Works	Weather dependent	Completed Phase I; Starting Phase II; Weather permitting; Engineering complete.
3	Hazelwood	Holder		Holder and Greer creating Plan B for development of Youth Camp
4	Annexation Projects	Holder / Morris	Finished	Amending for pressure issues on 79 South; Also on Peppers Drive, Garland Avenue and 77 South
5	Employee Handbook	Holder / Foster / Ray	Indefinite	Reflect personnel rules
6	641 North	Holder / Morris		No further City involvement
7	MTAS Benchmarking	Morris / Holder / Greer		Draft results received for review January 24th
8	218 Bypass	Morris / Holder / Greer	All purchases completed	Missed January 22nd deadline for purchases due to railroad issues; Morris actively working with railroad, TDOT, and Greer to resolve. Major issue with moving utilities based on revised plans; trying to find less costly solutions.
9	Valleywood Drainage Project	Holder / Jessie	Ongoing	ARAP permit denied; reapplying; have General Permit with 100' ft. of man-made structures
10	MS-4 Permit	Holder / Morris / Jessie / Brown	5 Year Implementation	Received Permit; now must implement; Attempting to get
11	Long Range Planning	Staff	January 1, 2014	Evaluation of various issues underway

There being no further business the meeting was duly adjourned at 5:30 p.m.

/s/Samuel Tharpe
Mayor

/s/Kim Foster
Finance Director