



Minutes
National Housing Development Trust Board of Directors Meeting
Thursday, March 3rd, 2016
10:00 a.m.

1. Call to Order

The Chairman called the meeting to order at 10:30a.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)	✓	
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 meeting got started with an opening prayer that was delivered by Mr. Harwell.

4. Chairman's Opening Remarks

The Chairman welcomed the attendees and passed on apologies from the missing members. He further advised that whilst it has been a while since the Board met the consensus is that the Board only meets for periodic updates and to address sticking issues.

5. Formal Approval of the Previous Board Meetings

Minutes of the Board of Directors meeting held on October 1, 2015 were confirmed as follows:

Moved: HM

Second: AB

Agreed: All Present

6. Matters arising from the last Board Meeting.

Timely Recorded Minutes: A concern was raised that the Minutes are not done in timely manner and is somewhat redundant that they are only confirmed for long periods. In addition the minutes failed to reflect a Member's position on the importance of planning a housing project for George Town.

It was outlined that generally Board and Committee meeting minutes as well as one off round robin requests are circulated days after a meeting thereby providing members an opportunity to provide a confirmation on their part for which in many cases do not get read confirmations.

Update on Bodden Town Affordable House – To date a total of 37 of the Affordable Houses have been sold. It was voiced that the Affordable Housing Initiative carries a low risk to the CIG as there is no continued liability in comparison to the GGHAM. Opportunities should be taken in communicating this to the wide public on the Trust's achievement via the local media and to also venture to social media to promote the Trust's initiatives.

Agreed: The NHDT draft and circulate to the Board a public notice that will be distributed to the local media, outlining an update of its ongoing initiatives.

Bodden Town Housing Site Access – The NHDT has been in consultation for further development with the CIG's Planning Department to confirm if an alternative access to the site will be required in the event that the NHDT wants to further develop the site on lots that have been parceled out. At the moment the NHDT is currently waiting on a response on this.

NHDT Approval – The Trust has received request for approval to erect 3 light poles and 5 anchors on the Trust Property that will facilitate our adjoining land owners with the Solar Farm setup. Upon reviewing the site plan concerns have been raised with CUC and the NRA that set proposed poles and anchors would be encroaching deeper onto NHDT as the Sitwell Road (located to the south) was filled incorrectly.

It was raised that this particular neighboring land owner was vindictive in the past as it negated access to the BT Site via the Lake Destiny road (located south east of the housing site) despite having agreed previously in writing that the approval for the access would be facilitated.

Agreed: The NHDT will consider approval for the CUC poles and anchors to be erected on the NHDT property providing that the access to NHDT is given with immediate effect.

Windsor Park Wall – As a follow up from the previous request the NHDT will be consulting with a surveyor to outline the magnitude of works that will be required to address the walls of which in some sections fall as deep as 10-15 ft.

Special Purpose Fund – It was noted that the special purpose fund amount of \$35k that was initially donated by the cruise line to assist affordable housing applicants with a down payment should be

allocated on a case by cases and capped at \$3k per applicant.

Agreed: The NHDT Finance Committee identifies Affordable Housing Applicants that require such assistance and make its recommendation to the Board to approve.

Agreed: The NHDT put in the necessary controls in place to thoroughly document this by way of policy and procedure.

Old Building Structure – Queries were made on an old building structure on the Eastern Avenue Housing Site that is currently abandoned. Suggestions were made to have it demolished and donate the rubbles for fill or alternatively refit for storage.

Agreed: Conduct a site visit to look into dividing as a shed and filing warehouse for the operations of the Trust.

AHI Special Cases – The Board was advised that the two special house assignments were being pursued with legal counsel and with our respective Ministry. Concerns were raised that these cases have been drawn out and all efforts should be made to have these resolved.

Agreed: Continue to pursue these cases and reach out to the Ministry for directions in finalizing accordingly.

Update on Office Vehicle – The Board was advised that the NHDT previously undertake the process with the CIG's Dept. of Vehicle & Equipment Services (DVES) to dispose of the old vehicle and the process of procuring a new vehicle. As an update on this the Trust was pleased to announce that the old office vehicle was sold for more than expected and the new vehicle was procured for approximately \$10k less than the local sale price.

On a separate but similar note it was proposed that consideration be given to undertake the procurement practice to replace the Maintenance Truck as it was becoming costly to maintain.

Agreed: Follow up with the CIG's DVES on the proceeds from the disposal of the old vehicle.

Agreed: Look into the options provided for the replacement of maintenance vehicle.

7. Audit & Accounts Report - Update

2014-15 Draft Financial Statements – The NHDT 2014-15 Draft Financial Report has been submitted to the OAG since December 2015 for final review. However we have still not received their response as yet. But we have been liaising with the on this. It appears to be a scheduling issue. Also we have written off from our books the \$450K for unpaid Outputs from CIG based on the recent Board directives and this will be incorporated in the 2014-15 Audit Report.

Agreed: A meeting is scheduled for Mar 23, 2016 to do a review and vetting of the draft 2014-15 Financial Performance.

Billing to CIG – The billing of outputs for operations and equity injections to cover the Trust operations and financial commitments have been made. The Trust will be coordinating its billing on balances due in line with the agreed purchase and ownership agreements entered into with the CIG.

NHDT Bank Balances – The NHDT currently has a combined bank balance of approximately \$4m of which \$3.7m has been ear marked for new project development. An additional amount of \$122k is expected to flow into the Operations account from CIG payment for Output Billing that was submitted. There are approximately 4 confirmed AHI House Sales for approximate \$450k that will take place in March 2016.

Board to Action:- An understanding is required of the time-line for calling on these funds so as to optimize banking arrangements for proposed project works and BYOP works as there is public interest on these projects.

Agreed: A meeting is scheduled for March 23rd, 2015 for review of the policies and procedures for projects and Build on Your Own Property be undertaken so as to address issues that were previously raised.

NHDT 2016-17 Budget - The NHDT completed and submitted the 2016-17 Draft Budget that consisted on proposed Purchase and Ownership agreement on February 3rd, 2016, as requested by the Cayman Islands Finance & our respective Ministry.

A query has been raised to as why the Outputs for the equivalent year are not in line with prior year budget figures. The NHDT advised that the estimates are based on actual operations with expected/proposed works that is to be undertaken once the GGHAM and Projects are rolled out.

Below is a summary of proposed Budget Estimates & prior budget approvals.

NHDT - Approved & Planned Budgets with the Cayman Islands Government			Approved Budget Appropriations					Planned Budget Estimates (18 Months)
Budget Category	Item #	Purchase Agreement of NHDT Operational Outputs	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17 Appropriation
Outputs / Purchase Agreement	NHT 4	Administer the Affordable Housing Initiative (AHI) Program	\$197,000	\$210,035	\$210,035	\$145,535	\$145,525	\$289,895
Outputs / Purchase Agreement	NHT5	Administer the Government Home Assisted Mortgage (GGHAM) Program	\$218,000	\$231,035	\$231,035	\$231,035	\$231,035	\$346,553
Outputs / Purchase Agreement	NHT 6	Administer the New Affordable Housing Initiative (AHI) Program	\$191,000	\$204,035	\$204,035	\$204,035	\$204,035	\$306,053
Outputs / Purchase Agreement	NHT 7	Administer the Build On Your Own Property Program	\$51,580	-	-	-	-	\$25,000
Budget Total Outputs - Purchase Agreement for Operations			\$657,580	\$645,105	\$645,105	\$580,605	\$580,595	\$967,500
NHDT - Approved & Planned Budgets with the Cayman Islands Government			Approved Budget Appropriations					Planned Budget Estimates (18 Months)
Budget Category	Item #	Ownership Agreement of NHDT- Long Term Commitments	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17 Appropriation
Capital/Ownership Agreement	1	NHDT - Equity Injection - Bond Repayment Scotia bank Bond	\$1,939,000	\$1,013,909	\$1,013,909	\$1,013,260	\$1,013,259	\$1,493,300
Capital/Ownership Agreement	2	NHDT - Equity Injection - Bond Repayment Butterfield Bank	-	\$1,018,180	\$1,018,180	\$972,380	\$950,680	1,385,333
Capital/Ownership Agreement	3	NHDT - Equity Injection E157 - NHDT Project Refund	\$1,323,057	\$960,149	\$960,149	\$453,204	\$474,905	\$474,905
Budget Total Equity Injection - Ownership Agreement			\$3,262,057	\$2,992,238	\$2,992,238	\$2,438,844	\$2,438,844	\$3,353,537
Total Budget Estimates			\$3,919,637	\$3,637,343	\$3,637,343	\$3,019,449	\$3,019,439	\$4,321,037

8. Affordable Housing Initiative Program (AHI) Program

NHDT New AHI House Summary – 02 Mar 2016

AHI House Status	Bodden Town	East End	West Bay	Windsor Park	Grand Total	Comments
Sold	10	9	11	7	37	Houses Sold to date.
Lease to Own	-	-	10	12	22	Tenants with Ownership Agreements.
Lease	-	-	6	7	13	Tenants with Rental/Lease Agreements that now have the option to purchase the affordable house.
Special Case	1	-	1	-	2	Special Cases pending final paper work.
Bank Pre-Approved Applicants	5	1	1	-	7	Bank Pre-Approval pending pension drawdown.
Applicants pursuing Financing	3	2	5	-	10	Bank Pre-Approval to be finalized.
Allocation DCFS/NAU			1		1	Rental Assistance agreement with NAU for 3 Months for a social services case.
Available	1		1		2	Available Houses as applicants withdrew their application
Grand Total	20	12	36	26	94	

Summary of Assigned AHI Houses Explained:

- **Houses Sold** – Thirty Seven (37) houses have been sold to date since 2011.
- **Assigned House on Lease & Lease-to-Own** - To date there are thirty four (35) houses under lease/rental and Lease-to-Own arrangement in which there are a few that will be closing in the coming weeks.
- **Assigned as Special Case** - There at 2 Houses Assigned as Special Case has been ongoing and remain to be finalized. Below is update on each case:
 - **Assignment due to Court Order Case** –The House Assignment to Ronnie Ebanks in WB has been ongoing the NHDT has now reached out to legal counsel to formalize some edits to the proposed agreement.
 - **Assignment Social Services Case** - The Special Assignment to Caretaker and Dependents of the late Anna Evans has been ongoing. The Drafted Testament & Deed agreement has been presented to the CIG for vetting and approving. NHDT will be forwarding a closing statement for the CIG to pay for this house.
- **Approved/Pending Pensions** - There are currently 7 applicants that are pursuing their mortgage application at the banks of which the majority are awaiting the approval/disbursement of pensions to assist with the banks required deposit.
- **Applicants Pursuing Financing** – There are 10 applicants that are currently pursuing mortgage financing with the local banks to purchase the affordable house that has been assigned.
- **Allocation DCFS/NAU** – The NHDT assisted the Needs Assessment Unit (on March 1, 2016) in an urgent request to assist a West Bay family that has been displaced. The case in question relates

to a family that was living at the beach and the CIG Authorities were tasked with taking swift actions to assist in this matter.

The NHDT assisted by assigning one of the vacant houses on a rental agreement to NAU for 3 months. The relevant paper work and agreements have been put in place that specifically outlines directives that the Trust is only assisting with accommodation for 3 months as the assigned house will be assigned for Sale to an applicant that is in the process of finalizing the required paper work.

- **Vacant Houses** - As of November 30th, ALL of the Bodden Town & West Bay vacant houses were allocated to AHI Applicants, which are in the process of seeking financing with their respective banks. In Feb 2016, 2 applicants withdrew their applications due to not being successful with the banks.

The excess applications have been put on hold as they would be provided an opportunity to be allocated a house, in the event that a prospective applicant withdraws their application. A meeting will be schedule in the coming week to provide update the Committee on the excess applications and to allocate the 2 vacant houses.

- **AHI Administration Other – Local Bank Interest on AHI Applicants**

- **RBC Royal Bank (Cayman) Ltd** – In Dec requested information on AHI Applicants to further assess if mortgage financing can be extended to these individuals. The NHDT has forwarded the requested and provided pertinent information that will assist in this review.
- **Scotia Bank & Trust (Cayman) Ltd** - On Tuesday (Feb 29) the NHDT met with Scotia Bank & Trust (Cayman) Ltd for who have express interest in partnering with the Trust to refer AHI Applicants so that they can assist with Financing. In doing so they outlined their Financing Criteria that will be taken into account by the NHDT Finance Committee.

- **New AHI Tenant Delinquency** - Below is summary of delinquency on the New AHI Houses.

Count	Lease	Oct 2015	Nov 2015	Dec 2015	Jan 2016
2	Good Standing	-	-	(12.10)	-
6	Delinquent	5,745.34	5,545.64	5,587.74	4,610.64
5	Severely Delinquent	44,501.96	44,776.96	41,836.96	46,211.96
13	Lease Total	50,247.30	50,322.60	47,412.60	50,822.60
Count	Lease to Own (Homeowners)	Oct 2015	Nov 2015	Dec 2015	Jan 2016
10	Good Standing	-	-	-	-
9	Delinquent	1,742.89	2,550.65	1,873.88	3,119.27
3	Severely Delinquent	43,893.87	37,589.21	39,235.82	40,882.13
22	Lease-To-Own Total	45,636.76	40,139.86	41,109.70	44,001.40
35	Total AHI Tenants	95,884.06	90,462.46	88,522.30	94,824.00

Delinquency Explained:

- **Good Standing** - There are a total of 12 good standing Tenants who meet their monthly commitment and for which the Trust is currently assist some of these in seeking financing to purchase the house that they currently occupy.
- **Delinquent** – There are a total of 15 Tenants that are delinquent between 1-3 months. Our records indicate that the majority of these are making commitments to address their arrears and current commitment. A few have expressed interest in seeking financing to purchase the AHI House.
- **Severely Delinquent** – There is a total of 8 Tenants with outstanding balances in excess of 3 months of which some exceeds over 12 months. Of these 8 Tenants Two (2) are currently social services cases whereby assistance is given to cover current monthly commitment, Two (2) are gradually making little efforts to address their commitment and four (4) severe cases whereby little to no efforts has been made on their part to address their current monthly commitment or accumulated arrears.

Board to Action:- A Confirmation is required on how the Trust should proceed with the severe delinquent Tenants. This was previously reported and the Trust made efforts to work with these individuals however they are not committed to maintaining their commitment.

Agreed: Schedule a follow up meeting with the Chairman, Operations and the severely delinquent Tenants to discuss their position.

NHDT Old Affordable House Summary

NHDT Old AHI Site	Mortgage Tenants	Rental Tenants	Grand Total
Captain Joe & Osbert Dr	10	10	20
Courts Road, Eastern Ave	0	2	2
Total	10	13	22

NAU Assessed in Jun 2014	NAU Identified Need Assistance	NAU identified Tenant that DO NOT Need Assistance	NAU identified Tenants currently getting Gov't Support
15	7	8	7
2	1	1	
17	8	9	7

The above schedule outlines a total of 22 Old Affordable Houses that remain occupy. It further outlines the summary of the Needs Assessment Unit results from the assessment undertaken in 2014. As previously communicated the Operations has been mandated to only providing limited services to these houses. On this note the NHDT Operations will conduct a site visit to get an update on Tenant Status and will report the relevant feedback.

Agreed: The Board maintains that the issues identified are beyond the remit of the Trust and will rely on the Cayman Islands Government to provide direction and assistance in addressing these issues.

9. Government Guarantee Home Assisted Mortgage (GGHAM) Program

- **Ongoing Administration:-** The routine administration of this program has been ongoing and the relevant quarterly reports have been submitted to the CIG - Finance Dept.
- **GGHAM Renewal:-** The review of the GGHAM Agreements has been ongoing and they are currently being finalized by the Cayman Islands Government and the Participating Banks. Whilst it appears that this process is drawn out by both parties we cannot ignore that the intent of the thorough of these agreement is to ensure all issues are covered and parties protected.
- **Public Interest:-** There has been keen interest from the public, enquiring on when the GGHAM will be reinstated. The Trust has taken the following approach in responding:
 - The GGHAM Agreements are currently being finalized by the CIG and the participating banks.
 - A public announcement will be made once the NHDT has been given the authorization to start processing applications.
 - The re-assurance is given that the Trust currently maintains a listing of interested applicants and will be reaching to these applicants directly once the go ahead has been given.
 - A further step has been taken to invite applicants to the Office to pre-advise them on steps that can be taken on their end to help them apply under this program.

10. Property Management & Project Development

Old Affordable Houses – The ongoing works has been limited to the effluent septic services, common grounds maintenance for the old affordable houses located in West Bay and Eastern Avenue. There is the ongoing issue with the DEH on the billing and the deterioration of Garbage skiffs utilized for disposal of garbage.

Agreed: Continue to pursue the issues with the DEH or look at alternative contractors that provide garbage disposal services and further advise on the positive public relations that they can derive in assisting the Trust.

New Affordable Houses – Remedial works & Repairs are ongoing on the vacant houses that have currently been assigned for Sale as they have been locked up for quite a while.

It was previously noted that the Trust has been faced with having to rectify for the 2nd time tiling works in an East End House that was purchased in 2012. Concerns were raised that if not addressed properly there is a possibility that the Trust will be liable to remedy once again.

Agreed: Reach out to the homeowner to provide the option to paid directly for the works thereby tasking in making the relevant arrangements with a contractor independently.

11. Other Matters


- **HR Matter** - Training & Performance Review is currently being planned. In preparations for this Staff have requested if consideration can be given to put in place a refund policy for staff undertaking degree and professional development courses for tuition and or books/resources.

It was acknowledged that assistance by way of refund or time away for study can be considered as an incentive to staff. On an offset it should be noted that when individual are undertaking the necessary steps to develop themselves professionally this is an investment on their end and if assistance is given a commitment by both parties is to be put in place.

Agreed: Establish a policy and in the interim outline that the Trust with immediate effect will reimburse 50% of book cost capped at \$500 per year.

12. Adjournment - The meeting was adjourned at 1:30pm.

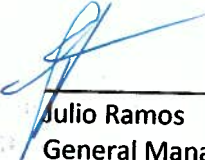
13. Next Meeting - The next Board of Directors Meeting is to be schedule on Wednesday, March 23, 2016 at 10:00am to review the 2014-15 DRAFT NHDT Financial Statements and to review the Build on Your Own Property Program/Policy.



George Anthony Powell
Chairman

09/06/2016

Date



Julio Ramos
General Manager

09/06/2016

Date