

# Five properties needing rehabilitation going to AHOME HCDC transferring homeownership

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MILLVILLE — The Holly City Development Corporation on Tuesday voted to significantly scale back its homeownership operations by transferring five of its properties slated for rehabilitation to Affordable Homes of Millville Ecumenical for \$1.

The city in 2007 provided \$300,000 in Revenue Allocation District funds — \$270,000 of which was actually used — to the HCDC to acquire the five properties to renovate them under its CHOICE Homeownership Program.

Now, AHOME will develop the homes through its own CHOICE program.

Members of the HCDC board will seek out approval from the city to carry out the plan.

However, Executive Director Paul Dice stated he was unsure if they required a formal OK from city commission or any other city department.

“I still believe that, financially, this is not the time to be building homes until we can get the Holly City Family Center, the assisted living program and our working capital done and where we want them to be,” said Dice, addressing the HCDC meeting Tuesday. “It is my opinion that we back up a little bit, scale down our real estate actions, and sign the deeds over to AHOME and let them develop the homes.”

The five properties to be signed

over to AHOME are:

- \* 220 N. 4th St.
- \* 56 Columbia Ave.
- \* 129 Depot St.
- \* 311 Powell St.
- \* 819-821 Archer St.

According to Millville Housing Authority Chief Operating Officer Ivy Evans, AHOME Director Donna Turner has already signed on to the turnover and that they have agreed to rehabilitate and sell the homes under their own programs.

“Donna Turner was looking for more properties for AHOME to take in under its CHOICE program anyway,” said Evans. “This is a great agreement for us and them.”

Dice added the city will also benefit, stating “dollar for dol-

lar” Millville will get what it paid for.

“They gave us \$300,000, \$227,000 of which was appropriated for purchasing the homes; they did it with the intention of those homes being developed and sold,” said Dice. “This is still going to happen, so it’s a win situation for all parties involved.”

The decision by the HCDC both downsizes its homeownership program and suspends its real-estate development operations.

HCDC officials stated the main factor behind the decision was the absence of working capital.

According to Dice’s monthly report to the MHA and HCDC, which operates under the MHA, the authority’s net income has

grown from \$9,764 in April 2008 to \$588,845 in August 2009.

However, that money will have to go toward a series of inspections and studies of its public housing developments some time in the future, according to MHA officials.

The Holly City Family Center, after suffering from a series of financial pit falls, posted a \$55,438 net income for the current fiscal year, according to Dice.

The assisted living program net income in this year to date has improved from negative \$22,138 in July 2009 to negative \$6,805 in August 2009.