

Housing Council

A meeting of the Emmet County Housing Council was held on December 3 at 10:00 a.m.

Council members present: Mark Ashley, Secretary
Les Atchison
George Booth, Vice-Chairman
John Murphy, Chairman
Martin Van Berlo

Absent: None

Staff present: Cynthia Van Allen, Finance Director

Guests: Katie Bedard, Northwest Michigan Community Action Agency
Cathy Odom, Northwest Michigan Community Action Agency
Mary Margaret Hornbaker, Habitat for Humanity

The Council members approved the agenda as presented.

The Council members reviewed and approved the minutes of the November 5, 2008 meeting.

Administrator's report:

*** Ms. Odom and Ms. Bedard were both at Michigan State Housing Development Authority (MSHDA) training sessions in Lansing. MSHDA's Property Improvement Program (PIP) was one subject of discussion. This program offers low interest home improvement loans to single-family homeowners with low to moderate income. Ms. Odom has an agreement to work with Citizen's Bank to provide these loans and has attempted to get someone at Huntington to talk to her regarding this program. Huntington has been non-responsive. Mr. Ashley will call a contact at that bank. Ms. Van Allen will approach a Chase loan officer to see if that bank would participate.

*** The application for the 2009 - 2010 grant cycle, \$200,000 grant, will need to be in Lansing in late January. The Board of Commissioners will need to, at either the December or January meeting:

Adopt a resolution regarding application for funding through the 2009 Michigan Community Development Block Grant housing program

Adopt the 2009 Emmet CDBG program guidelines

A discussion of changes to the 2009 program guidelines followed:

MSHDA now allows deferred loans to be given to eligible households having incomes below 60 percent of Emmet County median income. The previous requirement was 50 percent.

Mr. Atchison moved that the 2009 program guidelines state that one \$10,000 down payment assistance Habitat loan be made available. This loan to be arranged prior to June 30, 2010 or the money will be spent on a general rehabilitation project. Mr. Van Berlo seconded the motion. By unanimous voice vote this motion was approved to be included in the revised guidelines.

Mr. Ashley moved that the 2009 program guidelines state that \$35,000 is the maximum to be spent on any one project. Mr. Atchison seconded the motion. By unanimous voice vote the motion was approved.

Ms. Odom pointed out that on page three under "Applicant Criteria" points c. and d. are County stipulations that could be changed. The Council members decided to incorporate both these requirements in the 2009 guidelines since they can make exceptions to these requirements.

Mr. Ashley moved and Mr. Booth seconded a requirement for liens on all loans. By unanimous voice vote this motion was passed. This means that items a) and b) under section 2. Lien Requirements on page 10 will be deleted.

The Council discussed the subordination policy on page 11 and determined to retain the policy in its current form.

*** Ms. Odom is exploring the possibility of sponsoring a one day, eight hour, lead paint hazard abatement class for local contractors. There is a firm in Atlanta which will hold the class at a cost of \$1,100 for ten participants. This class would allow a contractor to bid on a rehabilitation jobs of less than \$25,000. For a job of more than \$25,000 there is a requirement of four days of training. In 2010 the minimum training requirements increase to a twelve hour class. Any contractors who have had the eight hour training would need another four hours at that time. Ms. Odom will contact the Little Traverse Association of Home Builders to assess the potential for proceeding with this project.

Mr. Van Berlo suggested that Ms. Odom contact Scott Kendzierski at the Charlevoix County Building Inspection Department. He believes Charlevoix County has access to an XRS gun which can measure lead paint hazards.

CDBG jobs in progress:

*** Job 08-01 - denied, over income.

*** Job 08-02 - Mr. Atchison moved that the rehabilitation project contract be awarded to W.B. Builders of Boyne City for an amount not to exceed \$13,500 which will allow for the addition to the project of a bathroom solar tube. Mr. Booth seconded the motion. By unanimous voice vote the motion was passed.

*** Job 08-03 - denied, no equity.

*** Job 08-04 - denied, over asset limit.

*** Job 08-05 - previously approved, contracts, liens, etc. soon to be signed.

*** Job 08-06 - an estimate totaling \$14,000 distributed to the Council. This applicant has no equity so the project will need to be funded with the County's funds. Mr. Atchison moved to authorize Ms. Odom to obtain bids to complete the project as outlined. Mr. Booth seconded the motion. By unanimous voice vote the motion passed.

*** Job 08-07 - Ms. Odom was instructed to rebid the project substituting asphalt shingles for a metal roof. The home owner can have a metal roof installed but would need to pay the difference between the asphalt shingles and the metal. Ms. Odom requested that the Council approve accepting the resulting low bid. After some discussion the Council determined that they wish to review final actual bids as well as the original estimates or preliminary bids for all jobs.

*** Jobs 08-08, 09 and 10 - home visits scheduled

***Ms. Odom indicated that there was a couple in need of repairs to a manufactured home which would not qualify as a MSHDA project. The Council determined that they would consider allocating funds from the County's money for this project.

New business:

*** Ms. Odom requested that Ms. Van Allen arrange for the Clerk to discharge the existing ten year forgivable MSHDA mortgage for Lipke/Curto.

*** Mr. Atchison asked the Council to entertain the possibility of allocating funds to a group called Handy Man Ministries which is current receiving funding from local churches. The group performs small repairs and maintenance for home owners who can't afford to hire work such as furnace repair, weather stripping, etc. Mr. Atchison was authorized to invite Mr. Ron VandenBrink to the January meeting to discuss the possibility.

*** Mr. Atchison also let the Council know that Emmet County is exploring the potential of establishing a land bank which could be a potential source of property for low income housing.

*** Ms. Hornbaker let the Council know that Habitat homes can only be built in an area where there is municipal water or sewer. This is a problem in northern Michigan because property costs so much in the areas with these amenities. Habitat qualified applicants are at 40 to 80 percent of median income. They are required to have one percent for a down payment and an IDA grant can be used as the down payment. The loan is at 0% interest. The loan can be totally deferred.