

Emmet County Housing Council

A meeting of the Emmet County Housing Council was held on June 4, 2014 at 10:00 a.m. in the controller's conference room in the courthouse at 200 Division Street, Petoskey, Michigan.

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

Excused absence: None

Staff present: Cynthia Van Allen, Finance Director

Third party administrators: Jonathan Scheel, Northwest Michigan Community Action Agency

Guests: None

The Council members approved the agenda with the addition of review of the Fair Housing Policy.

The Council members reviewed and approved the minutes of the May 7, 2014 meeting.

Administrator's Report:

*** Ashley made a motion to subordinate the Sonnenberg note to the St. Francis X. Federal Credit Union so the client can refinance at a lower interest rate. The client is not taking any funds. Atchison seconded the motion. By unanimous voice vote Scheel will notify the Credit Union of the Council's willingness to take a subordinated position.

*** Scheel shared the MSHDA report which documents where the spending on grants should be and what has been spent by Emmet County. The Emmet Street corridor in the City of Petoskey grant is the only one for which spending is not at the preferred level, MSHDA shows 40% should be spent and only 22% has been spent. This grant will be the focus of Scheel's efforts in the coming months.

***Ashley made a motion to recommend the Emmet County fair housing policy statement to the Board of Commissioners. Van Berlo seconded the motion. By unanimous voice vote the adoption of the policy was recommended.

*** Scheel explained that the rehabilitation specifications sometimes change once a project has undergone lead paint testing. This happened with Job P11-03 which the Counsel approved at \$20,335 but which is now estimated to cost \$26,160. The increase in this case was caused by lead on the roof's gable ends which required expensive measures for remedying.

***Scheel is revamping the Housing Council guidelines. He suggests that he insert two new requirements:

- One, that the client have sufficient income to maintain the house, that is, the ability to pay property taxes and insurance at a minimum
- Two, set a maximum percentage that the client is currently paying for housing expenses

Jobs in Progress:

Job E12-03 - no bids were received. Scheel will contact additional contractors.

Job E12-05 - Scheel is authorized to purchase the materials, permits, and pay for the rentals which are estimated to cost \$3,500. The homeowner will tackle this project in three to four months with the help of friends and family.

Job E12-06 - determined to be not eligible. Homeowner is delinquent on a mortgage and there is not sufficient equity in the property.

Job E12-07 - Booth made a motion to put this project, estimated to cost \$26,910.00 out for bid. Scheel's estimate was for \$21,910.00. The Council added \$5,000.00 for interior cosmetic improvements. There is a \$40,000 mortgage on the property which has an sev of \$75,000. Van Berlo seconded the motion. By unanimous voice vote this project will be put out for bid.

Job P11-06 - Atchison made a motion to put this project, estimated to cost \$45,870.00 out for bid. \$40,000.00 of the cost will come from the MSHDA Petoskey/Emmet Street corridor grant. The balance will come from the County appropriation money. There is no mortgage on the property. Van Berlo seconded the motion. By unanimous voice vote this job will be put out for bid.

Job P11-07 - Ashley made a motion to put this project, estimated to cost \$32,355.00 out for bid after determining via an “as completed” appraisal that the property will be worth \$102,355.00 after rehabilitation. The appraisal is a soft cost paid directly by NMCAA. This is a single female with a \$70,000 mortgage on a property with an sev of \$45,000. Atchison seconded the motion. By unanimous voice vote this project will be put out for bid after the appraisal confirms the expected property value.

Job P11-08 - no contractors bid on this project. Scheel will make calls.

Other Business:

*** Van Allen announced that the Emmet County Board of Commissioners at their May meeting voted to appropriate \$60,000.00 for the Housing Council to use for housing rehabilitation. This money is to be spent in areas of the County not covered by MSHDA grants.

Public Comment:

*** None

A motion to adjourn was made and was unanimously approved.

MSHDA - Michigan State Housing Development Authority
CDBG - Community Development Block Grant
RD - Rural Development
HPG - Housing Preservation Grant
MCDA - Michigan Community Development Association
DHS - Department of Human Services
NMCAA - Northwest Michigan Community Action Agency
HUD - Housing and Urban Development

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