

# WASHTENAW URBAN COUNTY EXECUTIVE COMMITTEE MEETING

Tuesday, June 25, 2013 1:00pm- 3:00pm

Washtenaw County Learning Resource Center (LRC)

## Meeting Minutes

**Members in Attendance:** Margie Teall, City of Ann Arbor; Mike Moran, Ann Arbor Township; Ron Smith, Bridgewater Township; Mandy Grewal, Pittsfield Township; Superior Township; John Stanowski, York Township; Karen Lovejoy Roe, Ypsilanti Township; Howard Fink, Northfield Township; Yousef Rabhi, Washtenaw County

**Communities Absent:** City of Saline, City of Ypsilanti, Dexter Township, Lima Township, Manchester Township, Salem Township, Saline Township, Scio Township, Superior Township, Webster Township, Village of Manchester

**Staff Present:** Brett Lenart, Mary Jo Callan, Aaron Kraft

Meeting called to order: 1:10 pm

### I. Public Comments

There were no public comments.

### II. Announcements

Yousef Rabhi updated the Executive Committee that a town hall meeting was being held on June 27<sup>th</sup> to provide information on the proposed County bonding effort to fund pension and medical care obligations for retirees. The reason he shared this with the Urban County is that there are services that will be compromised or adjusted if the bonding initiative doesn't move forward, including County allocations to outside agencies, coordinated funding and HOME program administration.

### III. General Administration (started non-action items due to no-quorum)

#### A. Housing Program Guidelines

Lenart introduced the Housing Program guidelines as a comprehensive document that describes, in detail, all of the requirements, expectations, and processes associated with the investment in affordable housing in Urban County jurisdictions. Lenart highlighted the changes included in the draft as follows:

- Numerous changes throughout document replacing "community development" with " Office of Community and Economic Development."
- Removal of references to NSP, HOME ADDI, and CDBG-R funding sources, which are fully expended with no expectation of future awards.
- Added all urban county jurisdictions, as previously adopted version was prior to 2012.
- Provided an exception where the County would consider assistance for those households with a reverse mortgage, but only for emergency repair grants
- Added language that emphasizes we will evaluate the economic feasibility of a project.
- Added Manufactured home language to specify manufactured housing parks that are in danger of foreclosure will not receive assistance
- Conflict of Interest requirements will shift from Urban County Executive Committee as first step in process to Office of Community and Economic Development Director. Corporation Counsel and HUD approval still required.
- Removed 1 year inspection from guidelines; lack of resources to accomplish this.

- Changed deferred loans to a 0% interest loan, and clarified lien terms for various types of assistance.
- Increased emergency repair maximums (\$3,000 to \$5,000 for grant; \$7,500 to \$10,000 maximum for loan)
- Added ramp reclamation approach
- Energy Efficiency “add on grant”; Removed Energy Efficiency as dedicated activity
- Added requirement of documentation for homeowner transactions (e.g. down payment assistance) be provided a minimum of 2 weeks prior to closing.
- Removed requirement of local unit governing body approval for contracts over \$25,000 as large projects from RFP already require local unit approval.
- Added Section 3 business concern price preference language, matches language used by the Michigan State Housing Development Authority.
- Removed \$12,500 additional funds for efficient and green products in homeowner rehabilitation transactions.
- Added language that prohibition of signing purchase agreement before a property standards inspection (PSI).
- Added requirement that a third party perform home inspection (not developer).
- Added language to encourage home buyers to have taken a basic home maintenance course.
- Mortgage pre-approval: Added institutional lender requirement, certification of all funds to ensure viability of homebuyer transactions.
- Increased max loan to value for subordinations to 100% from 90%.

Urban County Executive Committee members had questions regarding the lien structures, the continued commitment to energy efficiency, conflict of interest frequency, and the possibility of at least sending a letter near the end of a warranty period. Lenart will provide a “redline” version of the amendments to the Executive Committee as requested, as well as send the guidelines to non-profit partners for comments. It is anticipated that the Housing Guidelines be considered for adoption at the August meeting of the UCEC.

[M. Grewal & H. Fink arrived during discussion above to reach quorum.]

#### IV. 4/23/12 Meeting Minutes

*Mr. John Stanowski moved (support: Ms. Karen Lovejoy Roe) to approve the April 23, 2013 meeting minutes as presented and the motion carried unanimously.*

#### V. General Administration

**A. 2013-2017 Consolidated Plan & 2013 Action Plan Update** – Lenart updated the Executive Committee on the new final allocation amounts provided. Allocations from each program were reduced from 2012 as follows:

**CDBG** – 2013 Allocation of \$1,922,178, a 1% reduction from 2012

**HOME** – 2013 Allocation of \$907,771, a 12% reduction from 2012

**ESG** – 2013 Allocation of \$145,542, a 16% reduction from 2012

In the plan that was previously presented, a 5% reduction from 2012 levels was estimated for all funding programs.

**B. Washtenaw County 2013-2014 Planned Activities**

Lenart presented the amended activities based on the new allocation amounts.

*Ms. Mandy Grewal moved (Support by Mr. Howard Fink) to approved the revised activities and the motion carried unanimously.*

**VI. Adjournment**

The Meeting was adjourned at 1:50 p.m.