

**COMMUNITY DEVELOPMENT PROGRAM
ALLOCATION COMMITTEE MEETING
Thursday, January 28, 2016
11:00 A.M.
GCMPC Conference Room, 2nd Floor**

A-G-E-N-D-A

- I. Call to Order
- II. Roll Call
- ***III. Minutes of the November 19, 2015 Meeting (attached)
- IV. Opportunity for Individuals to Address the Committee
- ***V. Community Development Program Transfers (attached)
- VI. 2016 Action Plan Update (attached)
- ***VII. Eastside Village, Inc. HOME Investment Partnerships Loan (attached)
- ***VIII. HOME Investment Partnerships Funding Recommendation (attached)
- ***IX. Michigan Blight Elimination Grant (to be distributed)
- X. HUD Update
- XI. Other Business
- XII. Adjournment

***Indicates Action Item



**COMMUNITY DEVELOPMENT PROGRAM
ALLOCATION COMMITTEE MEETING
November 19, 2015, 11:00 a.m.**

MINUTES

The Allocation Committee met at 11:00 a.m. on Thursday, November 19, 2015, in the Conference Room of the Genesee County Metropolitan Planning Commission (GCMPC), 1101 Beach Street, Room 223, Flint, Michigan.

I. CALL TO ORDER



Christine Durgan called the meeting to order at 11:02 a.m.

II. ROLL CALL



Present: Christine Durgan, Jamie Curtis, John Northrup, Karen Miller, Mark Emmendorfer, Paula Zelenko, Pegge Adams, and Sheila Taylor.

Absent/Excused: Jeff Lutze, Richard Abrams, and Stephen Fuhr.

Others Present: Nichole Odette.

III. MINUTES OF THE SEPTEMBER 24, 2015 MEETING



Motion: Action: Approve, **Moved by** Paula Zelenko, **Seconded by** Mark Emmendorfer, to approve the September 24, 2015 regular meeting minutes as presented.

Motion passed unanimously.

IV. MINUTES OF THE OCTOBER 6, 2015 ADDITIONAL MEETING



Motion: Action: Approve, **Moved by** Jamie Curtis, **Seconded by** Paula Zelenko, to approve the October 6, 2015 additional meeting minutes as presented.

Motion passed unanimously.

V. OPPORTUNITY FOR INDIVIDUALS TO ADDRESS THE COMMITTEE



No one spoke at this time.

VI. LEASE TO PURCHASE PROGRAM



Sheila Taylor explained that staff is proposing the Lease to Purchase Program in order to provide another way for low to moderate income residents to become homeowners. Ms. Taylor reviewed the Lease to Purchase Program requirements.



Motion: Action: Discuss, **Moved by** Jamie Curtis, **Seconded by** Paula Zelenko, to discuss the Lease to Purchase Program.


Motion passed unanimously.


Jamie Curtis asked if this was a HUD compliance change or an internal change or a combination of both. Sheila Taylor stated it is a combination of both. HUD does allow Lease to Purchase Programs and we currently have HOME Program rental properties that the tenants are requesting to purchase. Additionally, staff would like the option to make NSP properties that are not selling, or that have been sitting vacant, Lease to Purchase properties. Mark Emmendorfer asked why the lease to own period was one to six months. Ms. Taylor explained that if the HOME or NSP property is vacant and the applicant can already qualify for a mortgage, then they wouldn't need a long lease period. If the applicant has credit issues, there are local credit counseling agencies that may be able to help them build their credit within the six month lease period. Mr. Emmendorfer asked if the Down Payment Assistance Program (DPA) would be assisting the applicants to qualify to purchase the homes. Ms. Taylor explained that the DPA Program provides up to \$5,000 for down payment and closing assistance and if needed, then it may be provided as well. Discussion continued.

 **Motion: Action:** Approve, **Moved by** Mark Emmendorfer, **Seconded by** Paula Zelenko, to recommend approval to the Community and Economic Development Committee to implement a Lease to Purchase Program according to the policy provided.

Motion passed unanimously.

VII. DOWN PAYMENT ASSISTANCE PROGRAM LIEN POLICY CHANGE


 Sheila Taylor explained that when we provide down payment and closing cost assistance, a lien is placed on the property until the property is sold. At that time, the loan must be paid back to the County. Due to a lack of interest in the Down Payment Assistance Program (DPA), approximately \$50,000 in unused funding from last year, and as a way to assist low-income residents become homeowners, staff would like to decrease the lien period to five years, at which time the loan would be forgiven. Christine Durgan added that five year liens would bring Genesee County in-line with other Michigan communities that offer DPA Programs.

 **Motion: Action:** Approve, **Moved by** Paula Zelenko, **Seconded by** Mark Emmendorfer, to recommend approval to the Community and Economic Development Committee to amend the Down Payment Assistance Lien Policy.

Motion passed unanimously.


VIII. DOWN PAYMENT ASSISTANCE PROGRAM LENDER AGREEMENT

 Sheila Taylor explained that the County currently works with Chase Bank, Fifth Third Bank, FirstMerit Bank, and Talmer Bank & Trust to assist applicants with the Down Payment Assistance Program and secure a traditional mortgage. Since some of our properties sell for less than a traditional mortgage amount and Metro Community Development (MCD) currently receives HOME Program funding to provide mortgages, staff would like to make MCD an approved DPA lender.


 **Motion: Action:** Approve, **Moved by** Paula Zelenko, **Seconded by** Pegge Adams, to approve entering into an agreement with Metro Community Development, Inc., for the purpose of providing financial assistance to HOME DPA Program homebuyers.
Motion passed unanimously.

IX. 2016 MEETING DATES


 Discussion took place to update the January 2016 meeting date to the 21st.

 **Motion: Action:** Approve, **Moved by** Paula Zelenko, **Seconded by** Jamie Curtis, to approve the 2016 Meeting Dates as discussed.
Motion passed unanimously.

X. HUD UPDATE

 Sheila Taylor explained that the 2016 CDBG applications are due tomorrow. All local units can submit public service applications, but only Group 1 communities can submit applications for construction projects. The County received approximately \$1.7 million in CDBG funding last year. Staff is preparing to send out 2016 HOME Program and Emergency Solutions Grant (ESG) applications to local agencies. Staff based the proposed 2016 funding amounts on our 2015 allocations of \$600,000 for HOME and \$150,000 for ESG, as we will not receive our allocation from HUD until January or February. Staff has begun the process of drafting the 2016 Action Plan. A public hearing is scheduled on November 30th so that staff can review the types of CDBG projects being proposed and so that the public may comment on the CDBG Program and suggest projects.

XI. OTHER BUSINESS

 There was no Other Business.

XII. ADJOURNMENT

 Ms. Durgan adjourned the meeting at 11:24 a.m.

Respectfully submitted,
Nichole Odette, Secretary
Genesee County Metropolitan Planning Commission

MEMORANDUM

TO: Members of the Genesee County Allocation Committee

FROM: Sheila Taylor, Principal Planner
Genesee County Metropolitan Planning Commission

DATE: January 28, 2016

SUBJECT: **Transfer of Community Development Program Funds**

The following transfers were requested by the local units of government.

Amount	To Project	From Project	Comments
\$1,257.00	Recapture	2013 City of Fenton Removal of Architectural Barriers #2015	Project Completed
\$4,295.00	Recapture	2013 City of Swartz Creek Street Improvements #2018	Project Completed
\$12,161.48	Recapture	2014 City of Linden Senior Center Improvements #2161	Project Completed
\$2,990.00	Recapture	2014 Clayton Township Demolition of Blighted Structures #2105	Project Completed
\$5,000.00	Recapture	2014 Gaines Township Special Assessment Assistance- Ditching #2097	Project Unable to be Completed
\$17,610.12	Recapture	2014 Gaines Township Special Assessment Assistance- Street Improvements #2098	Project Completed
\$2,062.37	2015 Legal Services of Eastern Michigan Fair Housing Center #2156	2014 Legal Services of Eastern Michigan Fair Housing Center #2104	Transfer Requested



An Equal Opportunity Organization

Equal Housing Opportunity



\$1,989.14	Recapture	2014 Mt. Morris Township Senior Center Operations #2083	Project Completed
\$1,257.00	2015 City of Fenton Senior Center Operations #2144	2015 City of Fenton Needs Assessment for the Underprivileged #2143	Transfer Requested
\$63,213.00	2016 Metro Community Development HOME Affordable Mortgage	2014 CHDO Reserve	Funding Available for New Project
\$236,787.00	2016 Metro Community Development HOME Affordable Mortgage	2014 HOME HIP	Funding Available for New Project
\$34,633.00	2016 Habitat for Humanity Rehab/New Construction	2014 CHDO funds	Funding Available for New Project

At this time, staff is recommending approval of the Community Development Program fund transfers by the Allocation Committee.

MEMORANDUM

TO: Members of the Genesee County Allocation Committee

FROM: Sheila Taylor, Principal Planner
Genesee County Metropolitan Planning Commission

DATE: January 28, 2016

SUBJECT: 2016 Action Plan Update

Staff is working on the Genesee County 2016 Action Plan for the Community Development Program. Contained within the Plan is a description of the needs of Genesee County residents and goals to address those needs, along with all activities proposed for 2016 Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), and Emergency Solutions Grant (ESG) funds. Staff hopes to bring the draft 2016 Action Plan to this Committee in February for review and approval.

Please see the attached timeline and proposed list of projects. Project amounts are estimates and will be updated once GCMPC is notified of the actual funding amount that Genesee County will receive for PY 2016.



2016 Action Plan Timeline

February 11, 2016: Draft Plan to Local Units of Government

February 16, 2016: Publish notice of Public Comment Period in the Flint Journal

February 17, 2016: Public Comment Period Begins

February 25, 2016: Present Draft Plan to the Allocation Committee

March 7, 2016: Public Comment Opportunity at the Community and Economic
Development Committee meeting

March 7, 2016: Draft Plan to the Community and Economic Development Committee

March 19, 2016: Public Comment Period Ends

March 24, 2016: Request Allocation Committee's Approval of the 2016 Action Plan

April 11, 2016: Request Community and Economic Development Committee's Approval
of the 2016 Action Plan

April 18, 2016: Request Board Approval of the 2016 Action Plan

April 20, 2016: Submit 2016 Action Plan to HUD for Approval

Proposed 2016 Projects

CDBG

Atlas Township - Senior Center Operations: \$6,439
City of Burton - Infrastructure Improvements: \$150,764
City of Burton - Senior Center Improvements: \$28,466
City of Burton - Senior Center Operations: \$31,628
City of Fenton - Demolition of Blighted Structure: \$26,348
City of Fenton - Park Improvements: \$13,174
City of Fenton - Parks Programming for Seniors: \$9,229
City of Fenton - Sidewalk Improvements: \$13,174
City of Grand Blanc - Senior Center Improvements: \$2,200
City of Grand Blanc - Senior Center Operations: \$6,763
City of Grand Blanc - Sidewalk Improvements: \$36,123
City of Linden - Removal of Architectural Barriers: \$8,174
City of Linden - Senior Center Operations: \$1,442
City of Montrose - Senior Center Operations: \$1,697
City of Mt. Morris - Public Safety Equipment: \$4,261
City of Swartz Creek - Senior Center Operations: \$5,183
Fenton Township - Demolition of Blighted Structure: \$19,000
Fenton Township - Special Assessment Assistance: \$35,996
Fenton Township - Street Improvements: \$50,000
Flint Township - Senior Center Food Pantry: \$38,908
Flushing Township - Senior Center Operations: \$8,809
Forest Township - Senior Center Operations: \$3,407
Gaines Township - Senior Center Operations: \$5,455
Genesee Township - Senior Center Operations: \$28,387
Grand Blanc Township - Demolition of Blighted Structure: \$21,001
Grand Blanc Township - Ditching: \$85,913
Grand Blanc Township - Infrastructure Improvements: \$30,547
Grand Blanc Township - Senior Center Improvements: \$24,819
Grand Blanc Township - Senior Center Operations: \$28,638
Legal Services of Eastern Michigan - Fair Housing Center: \$25,000
Mt. Morris Township - Senior Center Operations: \$25,236
Mt. Morris Township - Youth Program Operations: \$9,000
Mundy Township - Vocational Independence Program: \$12,574
Richfield Township - Recreation Program: \$828
Richfield Township - Senior Center Operations: \$7,454
Thetford Township - Code Enforcement: \$7,250
Vienna Township - Senior Center Operations: \$13,801
Genesee County - Home Improvement Program: \$600,000
Genesee County - Planning and Administration: \$343,599

ESG

Administration: \$11,311

Emergency Shelter: \$85,354

HMIS (Homeless Management Information Systems): \$7,113

Homeless Prevention: \$21,338

Rapid Rehousing: \$17,782

HOME

Genesee County - HOME Investment Partnership Program- Participating Jurisdiction (PJ)

Administration: \$61,786

Genesee County - Community Housing Development Organization Reserve: \$266,083

Genesee County - HOME Home Improvement Program: \$275,000

Genesee County - Down Payment Assistance: \$15,000

Genesee County - Tenant Based Rental Assistance: \$35,000

MEMORANDUM

TO: Members of the Genesee County Allocation Committee

FROM: Sheila Taylor, Principal Planner
Genesee County Metropolitan Planning Commission

DATE: January 28, 2016

SUBJECT: **Eastside Village, Inc. HOME Investment Partnerships Loan**

Eastside Village Limited Dividend Housing Association, LLC (Eastside) received \$1 million of Genesee County HOME Investment Partnerships funding in 2004 to assist with the construction of Eastside Village. This property has 50 units of affordable senior housing located at 3065 N. Genesee Road in Genesee Township.

Currently, Eastside Village has a Genesee County HOME Assistance Program Mortgage for which the payment of \$1 million will be due in full in 2046, 42 years after the loan was granted. Eastside has an additional mortgage on the property with another lender. Eastside would like to refinance the property in order to reduce the interest rate for the other loan from 5.32% to 3.95%, which will increase their cash flow up to \$45,000 annually. The terms of the new loan will be for 40 years.

Eastside is requesting that Genesee County agree to allow the refinance of property, which in turn requires the terms of the Mortgage with Genesee County to change. The refinance will place the repayment of the loan in 2056, or 10 years later than currently due. As the stability of senior housing in Genesee County is a great need, and the delayed repayment of the loan does not hinder the HOME program, staff recommends the refinance of the Eastside Village property.

At this time, Genesee County Metropolitan Planning Commission staff is requesting a recommendation of approval to the Community and Economic Development Committee to change the terms of the Eastside Village Mortgage to provide an extension of HOME Investment Partnerships loan repayment for 10 additional years.



MEMORANDUM

TO: Members of the Genesee County Allocation Committee

FROM: Sheila Taylor, Principal Planner
Genesee County Metropolitan Planning Commission

DATE: January 28, 2016

SUBJECT: HOME Investment Partnerships Funding Recommendation

Project applications for the HOME Investment Partnerships (HOME) Program for Community Housing Development Organizations (CHDO) were due on January 8, 2016. Genesee County Habitat for Humanity submitted applications for both CHDO certification and a construction project. Metro Community Development submitted a request for HOME Affordable Mortgage funding.

Habitat is proposing to complete three new construction homes in Genesee Township, Grand Blanc Township and Mt. Morris Township, and one rehabilitation in Mt. Morris Township.

Metro Community Development (MCD) is proposing to assist households with affordable mortgages on qualified homes assisted with federal funds. MCD estimates they will assist approximately eleven households and will service these loans throughout the life of the mortgage.

Staff is recommending that Genesee County Habitat for Humanity be awarded \$300,716 to complete three new construction homes and rehabilitate one home and that Metro Community Development be awarded \$300,000 to assist individuals and families with affordable mortgages.

Contracts will be reviewed by Genesee County Corporation Counsel prior to entering into an agreement.

At this time, Genesee County Metropolitan Planning Commission staff is requesting a recommendation of approval to the Community and Economic Development Committee to enter into a contract with Genesee County Habitat for Humanity for \$300,716 and with Metro Community Development for \$300,000 in HOME Program funds. This request for approval will be forwarded to the Genesee County Community and Economic Development Committee at their February 8, 2016 meeting.

