

**COMMUNITY DEVELOPMENT PROGRAM
ALLOCATION COMMITTEE MEETING
May 25, 2017 11:00 a.m.**

MINUTES

The Allocation Committee met at 11:00 a.m. on Thursday, May 25, 2017, 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 11:01 a.m.

II. ROLL CALL

 **Present:** Christine Durgan, Jeff Lutze, Karen Miller, Kim Courts, Paula Zelenko, Sheila Taylor, Stephen Fuhr, and David Martin.

Absent: Ellen Ellenburg and Mark Emmendorfer.

Others Present: Brad Dick, Margaret Kato, Anna Pinter, and Nichole Odette.

Christine Durgan introduced Margaret Kato, Executive Director, of Genesee County Habitat for Humanity.

III. MINUTES OF THE APRIL 27, 2017 MEETING

 **Motion: Action:** Approve, **Moved by** Paula Zelenko, **Seconded by** Stephen Fuhr, to approve the minutes of the April 27, 2017 meeting as presented.

Motion passed unanimously.

IV. OPPORTUNITY FOR INDIVIDUALS TO ADDRESS THE COMMITTEE

 No one spoke at this time.

V. TRANSFER OF COMMUNITY DEVELOPMENT PROGRAM FUNDS

 Anna Pinter stated that Fenton Charter Township has requested to transfer \$6,948 from their completed Demolition project to their Street Improvements project. Fenton Charter Township had set aside \$35,677 for a Special Assessment Assistance project, but since no residents were able to qualify, the Township would like to transfer that funding to their Street Improvements project. Habitat for Humanity has requested an additional \$30,000 for their 2015 New Construction project, so staff would like to transfer that funding from unused 2015 HOME Down Payment Assistance Program funds. Atlas Township has requested that the remaining \$15,912 from their Historic Preservation project be

transferred to their Removal of Architectural Barriers project to purchase a new, accessible circulation desk at the library. HUD's reporting system has flagged Mundy Charter Township's 2014 Home Improvement Program project because the funding has not been spent yet. Staff would like to move the \$51,450 to the 2016 Genesee County Home Improvement Program. The funding will still be set aside for Mundy Charter Township residents and will be tracked accordingly.

Margaret Kato stated that the biggest driver behind the request for additional funds for their 2015 New Construction project is that construction costs have gone up exponentially. Ms. Kato explained that Habitat for Humanity prepares proposals for HOME projects a year in advance and did not speculate such a boost in the construction industry. Habitat must use subcontractors for trades like plumbing, electrical, and mechanical since the insurance liability would be too high to use volunteers. Additionally, the project scope has changed since the proposal was submitted. The home built by the Genesee Career Institute was originally going to be placed on a property in Grand Blanc Charter Township, but the cost to improve the property's infrastructure would have been too great an expense. The home was instead transported to a lot in Mundy Charter Township, however, the Township requires a garage on the lot which was not anticipated.

 **Motion: Action:** Approve, **Moved by** Kim Courts, **Seconded by** Jeff Lutze, to approve the Transfer of Community Development Program Funds as presented.

Motion passed unanimously.

VI. NEIGHBORHOOD STABILIZATION PROGRAM (NSP) & HOME PROGRAM PARTICIPATING LENDER AGREEMENTS

 Anna Pinter stated that Genesee County has NSP and HOME Down Payment Assistance agreements in place with local lenders. These formal agreements ensure that the lenders understand the NSP and HOME Program rules and regulations and that their underwriters are also familiar with the Programs so that there are no issues at closing. Chemical Bank recently took over Talmer Bank and Trust, which had previously been a participating NSP and HOME Program lender. Chemical Bank would like to continue to participate in the Programs and has submitted all of the required documentation.

Ms. Taylor stated that since the staff at Chemical Bank is familiar with the DPA Program, we are hoping they will be informing potential homebuyers that this funding is available. The banks have been providing loans to NSP homebuyers, however, most of the NSP properties now available must be sold to low-income buyers who sometimes cannot get a traditional bank loan. In that case, NSP homebuyers have been able to go through Metro Community Development to secure a loan.

 **Motion: Action:** Approve, **Moved by** Paula Zelenko, **Seconded by** Stephen Fuhr, to approve entering into agreements with Chemical Bank for the purpose of providing financial assistance to NSP and HOME DPA Program homebuyers.

Motion passed unanimously.

VII. HUD UPDATE

 Sheila Taylor stated that staff is still holding the 2017 Action Plan because we have not received our HUD funding allocations. On May 5th the President did sign the 2017 Appropriations Bill, but local HUD offices have not received allocation amounts yet. Some communities have received waivers to shorten their public comment period because all Action Plans are due to HUD in August. Even though HUD will not extend our spending deadlines, staff still allows the local units a year and a half to complete construction contracts. Staff will continue to keep in contact with the local units so that projects are moving along and funds are being spent in a timely manner. Ms. Pinter will soon begin preparing the 2016 Consolidated Annual Performance Evaluation Report (CAPER), which is our year-end report to HUD. The CAPER is due to HUD by the end of July, so a draft should come before this committee next month. Last month, community sheets showing how CDBG and HOME funding has impacted communities in Genesee County were distributed to this Committee, as well as each local unit of government. The President's 2018 Budget has been released and he still intends to cut this programming. This information is also available on our website by community, County-wide, and by Commissioner District. In order for Genesee County to continue to receive an annual allocation, we have to be certified as an Urban County by HUD. Staff has sent letters to all local units of government asking that if they wish to remain in the CDBG Program for FY 2018-2020 to please respond in writing by June 16th. Participation in the CDBG Program not only affects individual communities, it brings funding into the entire County. If local units are having a hard time finding projects, please contact staff for project suggestions and keep in mind that the Home Improvement Program is available to all low to moderate income residents.

VIII. OTHER BUSINESS

 There was no Other Business.

IX. ADJOURNMENT

 Ms. Durgan adjourned the meeting at 11:14 a.m.

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