

CITY OF
PORTAGE
A Place for Opportunities to Grow

HUMAN SERVICES BOARD

November 1, 2012

CITY OF PORTAGE HUMAN SERVICES BOARD

A G E N D A

Thursday, November 1, 2012

(6:30pm)

Conference Room #1

CALL TO ORDER

APPROVAL OF MINTUES

* October 4, 2012

NEW BUSINESS:

1. Overview of Kalamazoo County Public Transportation Issues: Bill Schomish, Metro Transit and Sean McBride, Kalamazoo County Transit Authority
- * 2. Community Development Block Grant (CDBG) Housing Rehabilitation Appeal #12-01, for 6218 Avon Street: Requesting an exception from Housing Program Guidelines setting the maximum assistance amount at \$10,000
- * 3. City Council assigned 2012-2013 Goals & Objectives
4. Election of Officers: Discussion and/or election of Chair, Vice Chair, Secretary, and Metro Transit ADA Committee representative

OLD BUSINESS:

STATEMENT OF CITIZENS:

ADJOURNMENT:

MATERIALS TRANSMITTED

Star (*) indicates printed material within the agenda packet.

CITY OF PORTAGE HUMAN SERVICES BOARD

Minutes of Meeting, October 4, 2012

CALL TO ORDER: Approximately 6:30 p.m.

MEMBERS PRESENT: Diane Durian, Ray LaPoint, Elma (Pat) Maye, Marc Meulman, Nadeem Mirza, Kelly Williams (arrived at 6:45)

MEMBERS EXCUSED: Cody Dekker, Sandra Sheppard

MEMBERS ABSENT: Tim Wilger (Youth Advisory Committee Liaison)

STAFF PRESENT: Elizabeth Money, Neighborhood Program Specialist

APPROVAL OF MINUTES: A motion was made by Durian and supported by Mirza to approve the September 6, 2012 minutes as submitted. Upon voice vote, motion passed 5-0.

NEW BUSINESS:

Metro Transit ADA Advisory Committee – Update by Board member Meulman: No update was provided as Meulman had not attended the last meeting.

Red Ribbon Week (October 23-31, 2012) activities – Board discussion: Meulman will contact a local teacher at Lake Center Elementary School to coordinate a group of students attending the October 23, 2012 Council Meeting for the Red Ribbon Week proclamation signing.

OLD BUSINESS:

Local Housing Anti-discrimination Ordinance – Board discussion: No information had been brought to the Board by any members for discussion. It was the consensus of the Board that this item be removed from Old Business and no further action was needed.

STATEMENT OF CITIZENS: Meulman announced his resignation from the Human Services Board effective at the end of the meeting as he was moving and would no longer be a Portage resident.

ADJOURNMENT: There being no further business before the Board, the meeting was adjourned at 6:50 p.m.

Respectfully submitted,

Elizabeth Money, Neighborhood Program Specialist

TO: Human Services Board **DATE:** October 26, 2012
FROM: Vicki Georgeau, ^{VJ} Director of Community Development
SUBJECT: Community Development Block Grant (CDBG) Housing Rehabilitation Appeal #12-01, 6218 Avon Street

PROGRAM GUIDELINE: Chapter 3- Housing Rehabilitation Program (attached)

APPEAL: Requesting an exception from the CDBG Housing Program Guidelines setting the maximum housing rehabilitation assistance level amount at \$10,000.

STAFF RECOMMENDATION: The City of Portage administers Housing Assistance Programs and provides loans and grants for a variety of housing rehabilitation activities, as well as home buyer assistance for home purchases within select Portage neighborhoods. The city currently has two housing programs, one funded through the Michigan State Housing Development Authority (MSHDA) that provides up to \$25,000 in home buyer assistance and housing rehabilitation assistance, and the CDBG Program funded by the U.S. Department of Housing and Urban Development (HUD) that provides \$3,000 in home buyer assistance and up to \$10,000 in housing rehabilitation assistance. Both programs provide assistance to program participants via deferred loans by way of a Mortgage recorded with the Kalamazoo County Register of Deeds. This Mortgage, in addition to any current Mortgages held by the homeowner, becomes a lien on the property and repayment is due when the home is no longer the homeowner's principal place of residency. The MSHDA program converts from a loan into a grant if the homeowner resides at the residence for ten years.

The applicant had been approved to participate in the MSHDA program for the purchase and rehabilitation of 6218 Avon Street, including home buyer assistance, replacement of the roof, correction of previously completed electrical work that occurred without a permit and does not meet code, and removal of an illegally constructed work room located in the attached garage. Total financial assistance provided by the city is estimated to be \$14,204 (\$2,905 for down payment assistance and \$11,299 for housing rehabilitation projects).

Over the past several years, changes in lending have affected the real estate market and obtaining a Mortgage for home purchases has become an increasingly challenging process. While the city approved and worked with the homeowner and lender on obtaining the required applicant information and bids, the Mortgage underwriter and MSHDA could not agree on the terms of the secondary (MSHDA) Mortgage.

In order to assist with the purchase and rehabilitation of the property, the city is utilizing CDBG Program funds as an alternative source of assistance. On October 19, 2012, a mortgage in the amount \$2,905 was executed between the City of Portage and the applicant for the home buyer portion of the project. In order to finance the housing rehabilitation projects, a Notice of Increase will be executed in the amount of \$11,299, which exceeds the \$10,000 maximum limit set for the CDBG Program by \$1,299. As a result, approval is required from the Human Services Board (HSB) to complete the housing rehabilitation projects.

With regard to the financial stability of the project, the first Mortgage to acquire this property by the applicant is \$81,496. The second Mortgages (CDBG – home buyer assistance and housing rehabilitation) will total \$14,204. The combined first and second mortgage totals \$95,700. A recently prepared post-rehabilitation appraisal values the property at \$96,000.

Due to circumstances beyond the control of the applicant and city involving the Mortgage underwriter and MSHDA that would not enable the applicant to participate in the MSHDA program, the city can support the recommended increased CDBG funding limit. The increase, \$1,299, is minimal and will not negatively impact the ability of the city to finance other housing rehabilitation projects. In addition, the proposed rehabilitation work is required to address housing code deficiencies, and will be completed in a comprehensive manner that will improve the value of the house and enhance the neighborhood.

For the reasons noted above, approval of the requested appeal is recommended. If the Board approves this increase, it is recommended that a 15% contingency (\$1,500) also be approved if additional unforeseen expenses are encountered (e.g. roof decking needs to be replaced once shingles have been removed) during the renovation project.

Chapter 3 – Housing Rehabilitation Program

A. Purpose

The purpose of the Housing Rehabilitation Program is to upgrade housing stock in the City of Portage through the elimination of housing conditions considered to be below minimum levels of health, safety and welfare and to provide a comprehensive housing rehabilitation program to bring such housing up to minimum Housing Quality Standards (HQS) as required by the Department of Housing and Urban Development (HUD) and defined in the Codified Ordinance of the City of Portage, Article 14, Housing/Property Maintenance Code, Chapter 42. Due to limited financial resources, the use of funds will be limited to activities that address code deficiencies, as opposed to exterior and interior refinishing. The program will endeavor to ensure that all segments of the population will reside in decent housing.

B. Legal Authority

Under the Housing and Community Development Act of 1974, resources may be used for housing rehabilitation purposes, including financing the rehabilitation of privately owned properties. These provisions are elaborated upon in the rules and regulations established by the Department of Housing and Urban Development (HUD). The regulations provide for the financing of rehabilitation of privately owned properties through the use of grants, direct loans, loan guarantees and other means, when in support of other activities designed to prevent slums, blight and deterioration.

Such activities are further supported by an opinion advanced by the Attorney General of the State of Michigan on October 14, 1975, which ruled the city would be merely acting as an agent of the federal government, advancing a national objective. Since the type of loan or grant program that may be provided by the Act is left largely to the discretion of the municipality, the rules under which the program will operate in the City of Portage are incorporated herein.

C. Housing Rehabilitation Program Descriptions

The Housing Rehabilitation Program will upgrade the housing stock by providing extremely low, very low, and low-income families with grants and loans for needed housing improvements. The grants and loans will be available in the city where the program can best facilitate the rehabilitation of substandard structures. There are several programs within the Housing Rehabilitation Program, as follows:

1. Emergency Repair Grant Program: provides up to \$1,000 to income eligible homeowners for emergency repair(s) that if remained unattended, would pose a hazard to health, safety and/or welfare of the occupants. Due to the nature of necessary repairs, and the limited amount of funding provided, emergency repair assistance may be provided to manufactured dwellings within a manufactured housing park development, provided the dwelling otherwise meets minimum housing quality standards (i.e. if dwelling is in significant disrepair, utilization of CDBG Program funds may be determined inappropriate).

2. Housing Rehabilitation Loan Programs:

The *Housing Rehabilitation Deferred Loan Program* – provides homeowners with assistance to complete improvements that primarily entail those items necessary to bring a structure in conformance with the minimum HQS standards set forth by HUD, and where possible city Housing Code. Program categories include: roofing, electrical, plumbing, water and sewer hook-ups, accessibility improvements, termite treatment and general rehabilitation when necessary to correct code deficiencies. No interest deferred loans are provided to extremely low-income households, and three percent per annum deferred loans are provided to very-low, and low-income households. In addition, no interest deferred loans will be provided to match every dollar a homeowner contributes to the rehabilitation costs. An escrow account will be established for the homeowner's contribution as described in Appendix XV.

Since FY 2006-07, the maximum loan amount has been established at \$10,000 per household. To avoid cost overruns that may exceed this limit, initial loan amounts should provide a 10 percent contingency (i.e. \$1,000) cushion.

D. General Eligibility Requirements

There are a number of conditions that must be met by all applicants to participate in any Housing Rehabilitation Program activity undertaken:

1. Applicants must reside in the City of Portage.
2. Applicants must be the owner-occupant of the structure to be rehabilitated.
3. An applicant's family income must be equal to or less than 80% of the median family income for the Kalamazoo-Portage Creek MSA to qualify for consideration as a participant in the Housing Rehabilitation Programs. Income limits are updated annually by the Department of Housing and Urban Development. Annual income limits are available in the Department of Community Development.
4. An applicant's liquid assets, excluding the dwelling, must be valued at less than \$10,000.
5. Any applicant who is related to any city personnel involved in the Housing Rehabilitation Program shall disclose the nature of this relationship upon application and the related person shall not be involved with the applicant in question.
6. The applicant must have proof of current property insurance on the structure to be rehabilitated, and must carry insurance for the life of the loan.
7. The applicant must be current on all city taxes, special assessments and utility payments for the subject property.
8. The applicant's property must comply with all city codes (community quality, zoning, etc.) prior to initiation of the rehabilitation project. NOTE: This does not include housing maintenance and building code violations to be addressed as part of the rehabilitation work.

RECEIVED

CITY OF PORTAGE

OCT 24 2012

COMMUNICATION

COMMUNITY DEVELOPMENT

TO: Advisory Board Chairperson*

DATE: October 24, 2012

FROM: Adam Herringa, Deputy City Clerk *AHA*

SUBJECT: Approved 2012/2013 City Goals & Objectives

Enclosed is a copy of the 2012/2013 Goals and Objectives approved by City Council at the October 23, 2012, City Council Meeting. Please note the following important dates that are included in the attached Goals and Objectives.

- | | |
|--|-------------------------|
| 1. Goals Update 2012-2013 | Due in early April 2013 |
| 2. Recommended Goals for Fiscal Year 2013-2014 | Due in early April 2013 |

Given that Boards and Commissions are receiving their goals and objectives in late October, the traditional November goals and objectives updates will not be necessary.

Please contact the City Clerk Office at (269) 329-4511 if you need assistance or further information.

- * Ruth Caputo, Chair, Environmental Board
- Mark Reile, Chair, Historic District Commission
- Pat Maye, Secretary, Human Services Board
- Susan Williams, Vice-Chair, Park Board
- James Cheesebro, Chair, Planning Commission
- Lawrence Smith, Chair, Senior Citizens Advisory Board
- Sujay Dewan, Chair, Youth Advisory Committee

- c: Maurice S. Evans, City Manager
- Staff Liaison: Christopher Barnes, Environmental Board
- Erica Eklov, Historic District Commission
- Elizabeth Money, Human Services Board ✓
- William Deming, Park Board
- Chris Forth, Planning Commission
- Jill Hess, Senior Citizen Advisory Board

ADVISORY BOARDS AND COMMISSIONS

APPROVED 2012-2013 GOALS AND OBJECTIVES

ENVIRONMENTAL BOARD

1. Continue to implement the City Council approved Purple Loosestrife bio-control plan:
 - a. Release additional beetles at appropriate surveyed sites as beetle supplies are available.
 - b. Provide oversight to the work group.
 - c. Submit an annual progress report to the City Council.
2. Enhance environmental quality and protect natural resources.
 - a. Continue to promote effective recycling plans, the use of recycled/recyclable products and responsible disposal of hazardous and solid waste.
 - b. Protect water quality through the continued implementation of water management principles, including surface water, groundwater and storm water programs.
 - c. Promote environmental protection, planning, monitoring and educational programs.
3. Promote environmental awareness in the community by hosting an annual Earth Day event in conjunction with the Youth Advisory Committee and Parks Board.
4. Advise the City Council in areas / subjects under the purview of the Environmental Board.
5. Forward update to goals for FY 2012-13 (November 2012 and April 2013) and recommended goals for FY 2013-14 (April 2013).
6. Present an annual verbal report to the City Council.

HISTORIC DISTRICT COMMISSION

1. Safeguard the heritage of the city through the exterior preservation of the historic district by evaluating and considering applications for Certificates of Appropriateness. Identify and evaluate historically significant structures in the City of Portage.
2. Increase visibility and public awareness of the Portage Historic District.
 - a. Continue with book sales of *Where the Trails Crossed*.
 - b. Continue to support the historic educational programs with area youth via Portage Public Schools, the Portage Community Center and other outlets.
 - c. Continue to have communication and cooperation with similar organizations in the local community.
3. Maintain a Library exhibit wall of framed photos representing the history of Portage. Continue to add new material throughout the year. This exhibit will be on display at the Portage District Library.
4. Present a Preservation Award to a citizen who has met the criteria as established by the Portage Historic Commission.

5. Continue the biannual newsletter called *Picket Fences* to be distributed to homeowners of Portage historic homes, councilmembers and other supporters.
6. Observe National Preservation Week in May by presenting a special event in the community.
7. Advise the City Council in areas / subjects under the purview of the Historic District Commission
8. Forward update to goals for FY 2012-13 (November 2012 and April 2013) and recommended goals for FY 2013-14 (April 2013).
9. Present an annual verbal report to the City Council in May in conjunction with National Preservation Month.

HUMAN SERVICES BOARD

1. Fulfill advisory role requirements for CDBG program and human/public service funding requests.
 - a. Make recommendations regarding the Community Development Block Grant (CDBG) Program.
 - b. Make recommendations regarding human/public service funding from the CDBG Program and General Fund to the City Council.
 - Convene public hearings for the CDBG Program Consolidated Plan, Annual Action Plan, and Consolidated Annual Performance Evaluation Report.
 - Hear appeals from the CDBG Housing Program Guidelines.
 - Review fair housing activities.
 - Review applications and presentations from agencies for human/public services and recommend funding levels to City Council.
2. Serve as a resource and provide information to City Council regarding public transportation in the City of Portage.
 - a. Advise City Council on matters pertaining to public transportation in the City of Portage and make recommendations as appropriate.
 - Review public transportation needs within the City of Portage.
 - Review countywide demand/response of transportation services.
3. Serve as a resource to City Council for special projects.
 - a. Take appropriate action on projects as assigned by City Council
 - b. Review mechanisms for identifying human service needs in the community.
 - c. Identify and educate City Council on emerging human service issues in Portage.
 - Continue to serve on Metro Transit ADA Advisory Committee.
 - Assist City Council with Red Ribbon Week activities.
4. Forward update to goals for FY 2012-13 (November 2012 and April 2013) and recommended goals for FY 2013-14 (April 2013).
5. Present an annual verbal report to the City Council.

PARKS BOARD

1. Continue to work on development of the “Friends of the Park” volunteer and support program. As part of this effort Park Board members will be assigned to help coordinate and/or assist with major activities provided by the Board and the city.
2. Continue implementation of the expanded “Get Active Portage” day at Ramona Park, to include a youth triathlon, health fair and Paddle Fest kayak races.
3. Promote environmental awareness in the community by hosting an annual Earth Day event in conjunction with the Youth Advisory Committee and Environmental Board.
4. Implement a new “Landmark Sculpture” activity for the community to promote recycling. This event would engage participants in creating Kalamazoo County landmarks out of discarded goods and objects. Evaluate for continuation in 2013.
5. Plan for development and implementation of a new Park Board sponsored community event for the 2013-14 Fiscal Year.
6. Work together with the City Administration to facilitate the development of a Park Master Plan for the Eliason property on Shaver Road.
7. Advise the City Council in areas / subjects under the purview of the Parks Board.
8. Forward update to goals for FY 2012-13 (November 2012 and April 2013) and recommended goals for FY 2013-14 (April 2013).
9. Present an annual verbal report to the City Council.

PLANNING COMMISSION

1. Continue to guide development to appropriately planned area of the community and consider the protection of environmentally sensitive areas such as those identified in the City of Portage Sensitive Land Use Inventory Map, including regulated wetlands, groundwater and surface water, with the intent to achieve a well organized, balanced, sustainable and efficient use of land at densities that:
 - a. Meets the current and future needs of city residents
 - b. Protects key natural and historic resources
 - c. Complements the existing and planned capacity of streets and infrastructure
2. During project plan review, consider the following:
 - a. Parking lot interconnection, driveway consolidation, access from adjacent local/collector street or other methods intended to improve traffic flow and safety.
 - b. Adjacent residential neighborhood protection measures.
 - c. Protection of environmentally sensitive areas such as those identified on the City of Portage Sensitive Land Use Inventory Map, including regulated wetlands, groundwater and surface water.

3. Consider and act appropriately upon site-specific re-zonings in the context of the 2008 Comprehensive Plan and the 2008 City Centre Area Plan to encourage residential, commercial, industrial, planned development and high-tech development opportunities, as appropriate.
4. Consider Zoning Code text amendments including, but not limited to, City Council referrals and ordinances that emphasize, as appropriate, a green, sustainable and healthy community focus.
5. When appropriate, engage the Youth Advisory Committee in the planning process.
6. Review the 2013 Major Thoroughfare Plan (Chapter 8 of the Comprehensive Plan) Status Update.
7. Review and recommend the annual Capital Improvement Program.
8. Forward update to goals for FY 2012-13 (November 2012 and April 2013) and recommended goals for FY 2013-14 (April 2013).
9. Respond to City Council referrals and directives.

SENIOR CITIZEN ADVISORY BOARD

1. Help to increase new and renewal membership to 2,000 or more.
2. Help to increase funding for operational support: investigate new ideas and sources of funding in cooperation with the Friends of the Portage Senior Center.
3. Continue development of innovative programming to reach the population of seniors 50 years of age and older.
4. Advise the City Council and the Portage Senior Center management on issues or projects pertaining to seniors and the Portage Senior Center.
5. Help Senior Center management to increase the number of volunteer leaders to build current and future programs.
6. Continue to explore opportunities for interaction and partnering with the Portage Community Center.
7. Forward update to goals for FY 2012-13 (November 2012 and April 2013) and recommended goals for FY 2013-14 (April 2013).
8. Present an annual verbal report to the City Council.

YOUTH ADVISORY COMMITTEE

1. Continue to support educating members of the Youth Advisory committee on the roles and functions of City of Portage Government.
2. Continue a commitment to community service by volunteering time at organizations such as the Portage Community Center. In addition, take the initiative to volunteer in support of other causes as the need may arise.
3. Promote environmental awareness in the community by hosting an annual Earth Day event in conjunction with the Environmental Board and Parks Board.
4. Participate in and support community efforts – specifically those of the Kalamazoo County Substance Abuse Task Force – related to addressing substance abuse in the community.
 - a. Provide teens an opportunity to socialize without the use of drugs and alcohol, including hosting activities such as the Snow Party and Teen Movie Night.
5. Advise the City Council in areas / subjects under the purview of the Youth Advisory Committee.
6. Forward update to goals for FY 2012-13 (November 2012 and April 2013) and recommended goals for FY 2013-14 (April 2013).
7. Present an annual verbal report to the City Council.