

**CITY OF MANISTEE HOUSING COMMISSION**  
**Regular Meeting Minutes**  
**December 21, 2010**

The Regular Meeting of the City of Manistee Housing Commission was held on December 21, 2010 at 4:00 p.m. in the Harborview Community Room.

The meeting was called to order by President Dale Priester at 4:15 p.m.

Members Present: President Dale Priester, Vice-President Doug Parkes, Commissioner Donna Korzeniewski and Commissioner Harvey Good.

Members Absent: Treasurer Elbert Purdom.

Also Present: T Eftaxiadis, Consultant, George Saylor, Attorney and Dave DeForrest, Our Community Policy Officer, Clinton McKinven-Copus, Executive Director and Lorna Perski, Housing Coordinator.

Approval of Minutes

There were no additions or corrections in the November 16, 2010 Regular Meeting Minutes. **Donna made a motion to approve the November 16, 2010 Regular Meeting Minutes as written.** Harvey seconded the motion. All members voted in favor. Motion carried.

Amendments to the Agenda

There were no Amendments to the Agenda.

Old Business

Plating Property Environmental Due Care – T Eftaxiadis spoke about the MDNRE Grant that we had applied for in the amount of \$207,000.00 to demolish the buildings and cap the Manistee Plating Property which CMHC Purchased. This grant was applied for along with other City of Manistee Projects. The grant would have allowed for removal of the existing buildings and put a temporary asphalt cap over the property. It would have allowed for monitoring of the groundwater wells and provided stabilization of the slope going down to the river channel to minimize contamination going into the river. We were denied the grant because we did not have a project ready to go for the property. They would however, give us a loan at this time. Clint said that a loan is not an option with HUD. If we get a redevelopment project ready to go and we tell them that we have approval from HUD, they will probably give us a grant, but they are not convinced at this time we are ready to go forward. T said the State has encouraged us to pursue this grant for the past two years, but the rules have changed so they now want to see a developer in place before granting funds. The loan would be a 15 year loan with the Brownfield Authority, the first five years there is no interest accumulating and there is no repayment requirement. The current interest is 2 1/4 percent. Doug asked T if we take a loan, can it be paid off later with the grant. No, but you could use other grants besides the MDNRE Grant to pay off the loan. Doug asked what they need as a developer. It could be the Housing Authority if we want it to be. But they need to be assured that the project will be ready to go

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forward within a reasonable time. If we use HUD Capital or Operating Funds to further secure the buildings, HUD may have an issue with the expenses if we want to repair the roof, etc now and then demolish later. The cost of initial start-up to prepare for a developer is \$20,000 to \$25,000, but once the development proceeded it would come back to us. Michael Syme called Clint about the development this week. We should design an RFP in a way that we gain control. Doug said we should get out an RFP and see where that goes. T said the only item of concern is that a lot of rain water is going through the building through the roof and windows currently and we have some minimal due care obligations. We need to limit unrestricted access, inspect it on a regular basis and have the hazardous materials removed that remain on site. T said we could pursue other sources of funding for the Demolition and Capping of the property. He also said the MDNRE is responsible for the contamination. Clint will get with Mike Gifford from HUD regarding the RFP. HUD will have to approve anything we do with that property now as it is HUD property. T will put together a draft letter to the State asking them to remove the waste that is in the buildings to prevent further contamination of the soil. He also said that the MDNRE also wants a separate application for the Plating Property from the City of Manistee Property. That has to do with how many projects they can fund in a year. There is a limit of one grant per application per year now. The CMHC could apply themselves for a grant. Clint said if we get RFPs out and get them back and scored in February or early March and set up interviews with potential developers at a separate work session. We should be able to know by the April meeting if we are going to proceed with any project. Clint told T to let the MDNRE know that we are putting out an RFP. Dale asked if we should give input as to what we would like in a development. T said if we develop soon, a year to a year and a half some of the fees could be paid through Brownfield TIF, Tax Increment Financing, and we would not need the grant or the loan. Doug asked about how much waste is in the building, it is two barrels. Dale asked about the nature of the contamination. There is Hexavalent Chromium in the soil and also contaminants in the barrels from cleaning the soil.

### New Business

Resolution 2010-12 Century Terrace Elevator Repair – This is for repair of the Elevator Cars in the Elevator at Century Terrace due to damage. We have a previous contract with Schindler Elevator Corporation which requires that all work, repairs, upgrades must be performed by Schindler Elevator Corporation, and Schindler has worked with the CMHC to develop a solution to repair/upgrade the elevator cars. The quote for the repairs from Schindler is \$11,929.00. Schindler will provide (6) 15" high kick plates on the walls of the cab interiors, provide new stainless steel #4 car doors and remove and remount all existing hardware. **Doug made a motion to approve Resolution 2010-12 Century Terrace Elevator Repair.** Harvey seconded the motion. All members voted in favor. Motion carried. At the October meeting a tenant of Century Terrace brought in pictures of the cracked panels and damage in the elevators. Clint had some discussion with Marv about elevator solutions. Marv came up with the idea of just adding panels instead of whole stainless steel walls. This reduced the cost from \$38,000.00 to the \$11,929.00 quote. The Elevator Car Repairs will be paid through CFP Funds.

Resolution 2010-13 Medical Marijuana Policy - George Saylor said we have a case

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regarding the use of Medical Marijuana by one our tenants. The ACLU has gotten involved in this case and they are taking the position you cannot evict them. The state ACLU office is currently in litigation in three different places in Michigan, due to zoning ordinances that say the Controlled Substances cannot be used when in violation of local, state or federal law. The issue to be decided is whether the Supremacy Clause of the U.S. Constitution that the States can permit the use of something that is against Federal Law. HUD said you should deny a Medical Marijuana user prior to admission, but if a tenant becomes a Medical Marijuana user after becoming a tenant, HUD has allowances for tenants. We will also change our application process to screen Medical Marijuana users before admission. Medical Marijuana must be kept in a locked storage and other tenants or workers (growers) may not be present when the Medical Marijuana is being used. The Marijuana also needs to be in a smokeless/odorless form. The tenant will also be required to submit a Reasonable Accommodation Form which includes proof from the tenant physician or medical provider of the tenant need for the Medical Marijuana. George has come up with a policy that covers current tenants that are Medical Marijuana Users and future tenants that may become Medical Marijuana Users after admission. **Doug made a motion to approve Resolution 2010-13 Medical Marijuana Policy.** The motion was seconded by Donna. All members voted in favor. Motion carried.

Engagement of Management Improvement/Efficiency Consultant – If the board approves this person would be hired through Housing Authority Accounting Specialists, our Fee Accountants to help improve efficiency and cut down on stress of office personnel, and improve service to our residents. This would help to maintain current HUD regulation with amount of staff we have available economically at this time. Cost for this consultation would be \$2,820.00 and be paid through CFP Funds. It is scheduled for January 12 and 13, 2011. **Doug made a motion to approve the on-site Staff Consultation through Housing Authority Accounting Specialists, Inc.** Donna seconded the motion. All members voted in favor. Motion carried.

### Director's Report

Clint has looked into a laundry card machine that tenants can use to fill their own laundry card to help cut down on window time for office personnel. It would be installed in the Harborview Lobby so it can have camera surveillance coverage.

The Director's Report included the Occupancy Reports through November 2010, the Recertification Report and information on the New Business items already covered.

### Finances

The September Financial Reports are in from HAAS. Doug asked if the ROSS Grant funds are still co-mingled with the General Funds. Clint said no, but there are funds in transit that the Ross Grant owes us from the clean up from Rector, Lindsey and Reader. The ROSS Accounts still need to be balanced out. Doug noticed that Under ROSS Grant Elderly there is a \$5,100.00 loss. The CFRG Funds are the ARRA Funds that were used to build the new duplex unit. The amount of \$126,534.00 is what we paid in addition to the ARRA Funds to build the new duplex units. Clint noted that hopefully all of these adjustments will be made by the time we receive

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the October Financial Reports for the next meeting. The adjustments need to be made before the HUD Financial Submission. **Doug made a motion to accept the September 2010 Financial Reports and place them on file.** Donna seconded the motion. All members voted in favor. Motion carried.

Clint provided a copy of the 2011 Budget. On page 3 of the budget on line 700 is the bottom line of anticipated gain of \$119,155.00. Keep in mind that you have just accepted a budget report that has us at a \$79,000.00 deficit through September down from \$149,000.00 at the last report. Clint anticipates closing out the year with a \$30,000 ish deficit. We have to have a few years of significant gain. We calculated receiving only 75% of our Operating Funds. If we figure it at 100% it would be \$282,000.00. Darrin the accountant said to figure it at 90%, but Clint said no, in case we are cut after the new congress in March 2011. Public Housing is considered an entitlement, which means it is on the shelf and HUD is easily picked on. Donna said in Operating Expenditures in PUM (Per Unit Monthly Cost) it went up even though no one has gotten a raise. Clint said he thinks it is because of our three AMPS being combined into one AMP for HUD. HUD does not require an approved budget for the CMHC, however, Clint would like to have an approved budget, that we can update as changes occur. Clint just wants to have a budget so the accountant can put it into his system and help keep us updated. Harvey asked about checks that had come back from the bank without two signatures. This happens easily because of the invoices paper clipped to the check. It is part of normal accounting for Darrin to enter the budget into his system, there would be extra charges to re-enter a whole new budget. Clint has not received any Operating Subsidy for January of 2011 as yet, he hopes to hear something soon. Doug asked about the ROSS Grant and how long it will last. The current ROSS Grant will be through September 2011. The ROSS Grant extension if approved would be for three years.

### Public Comment

Ken Dinkel of Century Terrace complained about the new thermostats not working. Clint asked if he had called a work order in. Ken said that when you turn up the thermostat it gets so hot, and then you turn it down a little and it gets cold. Clint said to turn in a work order again as there some things maintenance can check in the thermostat, and other issues that need to have Siemens called in to repair.

Jean Bialik of Harborview said that she would like to commend Mary for all the work that she did putting up the decorations, but they really miss the stars that they have always had up. Clint said that he apologized, but he was short staffed in maintenance and there were other issues that were more important. Jeanie asked if we could get them up next year in November before hunting season.

Jim Rowe of Century Terrace said he knows of four apartments on third floor that have the same issue with the thermostats, you have to crank it all the way over it doesn't click, it gets up to about 80 degrees, then you turn it down and it clicks and shuts off. That is a problem that Siemen's needs to address. Jim said that Siemen's still has not taken care of the bird bath that they broke. Jim said that he did not get a chance to address this at the last meeting, but he

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wanted to thank Clint for the fast action when he presented photograph's of the damages at Century Terrace. He also said we have a problem in the laundry, the company that leases the machines charges \$1.00 per wash and dry, when there are other laundries in town at 75 cents per load. The machines are supposed to have a 30 minute wash cycle, which is actually 23, 25, 26 and 27 minutes when they were timed. The company should check out the machines and set them to the standard amount. Clint said he is not sure what length of wash and dry time is set in our contract. Jim said time should not vary so much between machines.

Ken Dinkel asked why we changed machines, we had good machines and now we have junk machines. We put the contract out for bids. Both companies that bid, use reconditioned machines. If machines are not working, we need to call the company and have them check out the machines. They are not our machines they are owned by Great Lake Laundry.

Roberta Huff asked if an apartment has no heat, if they get a credit on the rent. If no heat is reported, maintenance they will come in and check it out, if it is an issue that they cannot take care of Siemen's is contacted.

Commissioner Reports/Comments/Concerns

There were no Commissioner Reports, Comments or Concerns.

There was no additional business to discuss, **Donna made a motion to adjourn the meeting at 5:45 p.m.** Harvey seconded the motion. All members voted in favor. Motion carried.



Dale Priester  
President



Clinton McKinven-Copus  
Executive Director  
Commission Secretary