

CITY OF MANISTEE HOUSING COMISSION

Regular Meeting

April 16, 2007

The Regular Meeting of the City of Manistee Housing Commission was held on Monday, April 16, 2007 at the City Council Chambers at City Hall. The meeting was called to order at 3:04 p.m. by President Dale Priester.

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

Members Absent: Treasurer Elbert (Al) Purdom.

Also Present: Jeff Peltier of the Spicer Group, T. Eftaxiadis, Consultant to City of Manistee, Clinton McKinven-Copus, Executive Director/Secretary and Lorna Perski, Housing Coordinator

There were no additions or corrections to the minutes. **Doug made a motion to approve the Regular Minutes of March 19, 2007.** Donna seconded the motion. All members voted in favor. Motion carried.

The following amendments were made to the agenda: Closed Session to Discuss Property Acquisition Issues.

The March 2007 Bills and Disbursements were not here for the meeting. Clinton and Al will review the disbursements and forward a copy to commissioners.

The March 2007 Financial Reports were also not here for the meeting. Clinton and Al will review the reports and forward a copy to commissioners.

Communications

The Century Terrace and Harborview Newsletters are included in communications.

Reports of the Director

Most of the Reports of the Director will be included in New Business. Clinton asked if commissioners had any questions about items he had written in the report to commissioners. He included reports on Unit Availability, Waiting List: Scattered Site and Waiting List: High Rise. Clinton reported that there has been a positive response from the Newspaper Ad for Century Terrace Apartments. We are getting applications in for the vacant units. Commissioners asked about a website with an on-line application. At this time we do not have a web-site. Clinton said he was not sure if it would be cost effective or too time consuming updating information on the site continuously.

Old Business

Jeff Peltier of the Spicer Group presented an example development site for the property between Century Terrace and Harborview. This example site was a revision of the previous proposal. There are several different ideas for options of this space. It could just be green space, parking area or a building site. The goal is to minimize cost and generate revenue for the

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long-run. We would work with the City of Manistee through T. Eftaxiadis for Brownfield assistance with the site and help with grants for funding. The City of Manistee has money to assist with the property for environmental and Brownfield Services under an EPA Grant. Jeff Peltier reported that the cost for due diligence on possibilities for this site would be \$10,000.00. He mentioned that he thinks it would be a good idea to partner with a developer on this project.

Clinton has begun checking into setting up a new corporation. If we choose to build on this potential site, we will need to set up a 501C3 or a 501C4 Corporation. HUD would also have to approve the purchase of any property.

T. Eftaxiadis spoke about the possible clean up on contamination at the site. He said the type of clean up we will need to do will depend on what we want to do with the property. Projections are that a percentage of the property would generate tax revenue and some would be for public use. T noted that there are many opportunities to receive tax incentive reimbursements in a city like Manistee. There is some flexibility in what he can do within the City of Manistee Grant, and he would have the ability to pursue state funding for the remediation and clean up of the site. He also said that costs that are not environmental have a good change for funding reimbursement. T thought the Manistee Housing Commission should develop a number of plans for various developments for the site either ourselves or through Spicer. T can then review the plans and give us some idea of what kind of assistance we may be able to get. Brownfield will usually provide 10-15% of the cost.

Doug said he would feel better if he knew what the selling price of the property was before proceeding to have Spicer complete the due diligence for possibilities for the site. Clint said money for the Spicer plans could come from Fraud Recovery Funds.

Jeff Peltier of the Spicer Group gave an update on the State Inspection of the new offices at Harborview. There were changes required in the amount of \$6,000.00 as a result of the Mechanical Inspection. Even with this change the cost was still within the budgeted amount. We will move into the new office after our Financial Audit is completed the week of June 4, 2007.

New Business

Energy Performance Contract – HUD offers a program to PHA's for funding energy saving upgrades to our properties. The program requires an energy performance study detailing the upgrades needed and the amount of savings each upgrade would provide annually over a twenty-year period. Clinton tried to explain what this proposal allows us to do. The first step is to have an RFP for Cost and Benefit Analysis. The possible cost to us is for the study if we don't proceed with the replacement and loan. If we do proceed we will get a loan and HUD will reimburse us. Clinton said he needs two board members to attend the meetings and be part of the Selection Committee. Al and Doug volunteered for the Selection Committee. Clinton will publish the RFP tomorrow.

Lawn and Landscaping Contract 2007 – Five proposals were received from the published RFP's. Only two met the requirements, the rest of the bids were rejected. Gary Owen, G O Lawn Care Service who has been doing our snow plowing was recommended by Clinton to do the yard work.

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Comprehensive Strategic Plan: Development of Affordable Housing for Extremely-low to Low-income families in the City of Manistee. Mitch Deisch, Manistee City Manager has asked the Manistee Housing Commission to develop a long-term strategic plan for affordable housing in the City of Manistee. Mitch has reviewed and approved the proposal. Clinton will need approval of our board and the City Council.

Authorization to make purchase offers on homes for MSHDA DV Grant - Clinton reported that we are now in a position to make purchase offers on 2-4 homes to be purchased with the MSHDA Domestic Violence Grant Funds. MSHDA will visit on Friday to look at the homes that have been selected for Domestic Violence. The housing market has changed considerably due to the amount of homes available in the area. If homes are approved by MSHDA we need to make purchase offers on them. **Doug made a motion to authorize Clinton to sign purchase offers on behalf of the Manistee Housing Commission.** Donna seconded the motion. All members present voted in favor. Motion carried. There are four homes that have been selected throughout the City of Manistee. They are in move-in ready condition.

Public Comment

There were no public comments at this meeting.

Commissioner Reports

Harvey asked if there has been any progress with the offer made by the Kuk's for the Twelfth Street Property.

Doug made a motion to go into closed session at 4:00 p.m. to discuss possible property acquisition. Donna seconded the motion. All members present voted in favor. Motion carried.

Doug made a motion to return from the closed session to discuss possible property acquisition to the regular meeting at 4:25 p.m. Donna seconded the motion. All members present voted in favor. Motion carried.

Doug made a motion to go into closed session to discuss a personnel issue at 4:25 p.m. Harvey seconded the motion. All members present voted in favor. Motion carried.

Doug made a motion to return from the closed session to discuss a personnel issue to the regular meeting at 4:35 p.m. Donna seconded the motion. All members present voted in favor. Motion carried.

There being no further business, **Doug made a motion to adjourn the meeting at 4:36 p.m.** Donna seconded the motion. All members present voted in favor. Motion carried.



Dale Priester
President



Clinton McKinven-Copus
Executive Director/Secretary

CITY OF MANISTEE HOUSING COMMISSION

Special Meeting

April 16, 2007

Doug made a motion to go into closed session at 4:00 p.m. to discuss possible property acquisitions. Donna seconded the motion. All members present voted in favor. Motion carried.

Members discussed the possible purchase of the property between Century Terrace and Harborview. Dale said the owner would probably donate the property to the Housing Commission. He could get a tax write-off for the property. Dale will follow through and meet with the owner to discuss the cost of the property on Thursday.

Clint said he would like to have a Special Meeting to decide on whether to proceed with Spicer drawing up proposed plans for the property.

Possible purchase of Chalet West Apartments was also discussed. The Rural Development Authority subsidizes those units. Their formula only allows an 8% profit. By 2000 the loan was nearly paid off. The owners are in their 80's and want to get rid of the property. We would need to talk to the owners first, and then approach the State and Federal Government for grants to purchase the property. Chalet West has 1 and 2 bedroom apartments in the front, and three bedroom family apartments in the back. We need to determine what kind of upgrades and repairs are needed. MSHDA will run an HQS inspection on the property. Clinton cannot recall anything humungous that needs to be attended to. We do not need to bring the property into ADA compliance in these buildings. Clinton needs to get a copy of the financial reports to see where the property is financially. If we are to receive tax credits we will need a management company for at least one year.

Doug made a motion to go out of the closed session and return to the regular meeting at 4:25 p.m. Donna seconded the motion. All members present voted in favor. Motion carried.



Dale Priester
President



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Doug made a motion to go into closed session to discuss a personnel issue at 4:25 p.m. Harvey seconded the motion. All members present voted in favor. Motion carried.

Clinton reported that he has an employee that has been suspended twice in March for attendance issues. The next offense will be termination of the employee. The employee will be at the third level for the next offense and has received a letter indicating the position he is in at this time. The employee is also not following through in completing the required paperwork for their position. The last offense was a no show, no call and is the fifth incident since September 2006. Clinton told commissioners to be prepared for litigation in this case.

Doug made a motion to return from closed session to the regular meeting at 4:35 p.m. Donna seconded the motion. All members present voted in favor. Motion carried.



Dale Priester
President



Clinton McKinven-Copus
Executive Director
Secretary