

Agenda
Health & Human Services Committee
West Olive Administration Building – Board Room
12220 Fillmore Street, West Olive, Michigan 49460
Wednesday, September 8, 2010
8:30 a.m.

Consent Items:

1. Approval of the Agenda.
2. Approval of the Minutes from the August 11, 2010 meeting.

Action Items:

3. Proposed Revisions to Ottawa County Housing Commission Ordinance; By-Laws
Suggested Motion:
To approve and forward to the Planning and Policy Committee the proposed amendments to the Ottawa County Housing Commission Ordinance and the re-drafted By-Laws of the Ottawa County Housing Commission.

Discussion Items:

4. The Bite of Bedbugs, presented by: Addie Hambley, Environmental Health On-Site Team Supervisor
5. Department Updates

Adjournment

Comments on the day's business are to be limited to three (3) minutes.

HEALTH & HUMAN SERVICES COMMITTEE

Proposed Minutes

DATE: August 11, 2010

TIME: 8:30 a.m.

PLACE: Fillmore Street Complex

PRESENT: James Holtrop, Joyce Kortman, James Holtvluwer, Robert Karsten,
Matthew Hehl

STAFF & GUESTS: Dr. Paul Heidel, Medical Director; Janine Chittenden, Health Dept.; Lynne Doyle, CMH; Lisa Stefanovsky, Health Officer; Alan Vanderberg, Administrator; Bill Raymond, MI Works!/CAA Director; Donna Cornwell, Human Services Coordinating Council Director; Sherri Sayles, Deputy Clerk

SUBJECT: CONSENT ITEMS

HHS 10-017 Motion: To approve the agenda of today as presented and to approve the minutes of the July 14, 2010, meeting as presented.

Moved by: Hehl

UNANIMOUS

SUBJECT: DISCUSSION ITEMS

1. Children's Special Health Care Services System Update – Janine Chittenden presented an update on Children's Special Health Care Services. The system cares for children from birth to 21 years of age with chronic health conditions. There are approximately 950 children enrolled in the program at this time. The numbers keep increasing due to the economy.
2. Pertussis and Pertussis in Ottawa County Update – A power point presentation was presented by Dr. Heidel.
3. Department Updates

Health Department – Lisa Stefanovsky explained that the recent Lake Michigan Beach Advisory in Ottawa County was a preventative measure stating the conditions were right for bacteria to form. Environmental Health released a press release to clear up the misinterpretations.

Human Services Coordinating Council – Donna Cornwell reported on the Homeless Youth Project. 2% of school age students may be homeless during the year. The Coordinating Council has partnered with Webster House and is working on recruiting host homes.

CMH – Lynne Doyle reported CMH has been awarded two mental health block grants totaling \$400,000, one for a Parent Peer Specialist and the other to expand counseling for uninsured citizens in the County.

Michigan Works!/CAA – Bill Raymond reported the US Department of Labor review will be taking place next week. He also reported there may be some disallowed costs found in the Cycle Two findings because Michigan Works! contracted with GVSU but GVSU didn't contract with the Merit staff.

SUBJECT: ADJOURNMENT

HHS 10-018 Motion: To adjourn at 9:55 a.m.
Moved by: Hehl

UNANIMOUS

Action Request



Committee: Health and Human Services Committee

Meeting Date: 9/8/2010

Requesting Department: Administration

Submitted By: Keith Van Beek

Agenda Item: Proposed Revisions to Ottawa County Housing Commission Ordinance; By-Laws

SUGGESTED MOTION:

To approve and forward to the Planning and Policy Committee the proposed amendments to the Ottawa County Housing Commission Ordinance and the re-drafted By-Laws of the Ottawa County Housing Commission.

SUMMARY OF REQUEST:

The Board of Commissioners adopted original documents forming the Ottawa County Housing Commission (OCHC) in March, 2006. Those documents, as outlined in the attached materials, intentionally included various controls on the authority of the OCHC as it was being created as a new entity. As discussed at a prior Health and Human Services Committee, various housing programs and funding are not available to the OCHC because these formation documents do not meet requirements of the US Department of Housing and Urban Development (HUD). The revised OCHC Ordinance and By-Laws should enable the OCHC to qualify for HUD recognition, and position the OCHC to further evaluate participation in various housing programs and funding.

While some of the suggested revisions are minor, others do grant the OCHC a greater amount of authority and autonomy. It should be noted, however, that the Board of Commissioners does retain important rights and authority relating to the work of the OCHC. Among other such controls, the OCHC has no authority to assume debt or any other liability for the general or any other fund of Ottawa County. Additionally, all property transactions would require approval of the Board of Commissioners.

If the amendments are approved, the OCHC will proceed with the process to obtain formal recognition from HUD as a Public Housing Agency and evaluate the range of housing programs and funding that are available to meet the needs of residents within the County. Any developments and recommendations from the OCHC will be communicated back to the Health and Human Services Committee of the Ottawa County Board of Commissioners and all purchased property would be held in the name of Ottawa County, unless otherwise designated by the Board of Commissioners.

FINANCIAL INFORMATION:

Total Cost: \$0.00 General Fund Cost: \$0.00 Included in Budget: Yes No

If not included in budget, recommended funding source:

ACTION IS RELATED TO AN ACTIVITY WHICH IS:

Mandated Non-Mandated New Activity

ACTION IS RELATED TO STRATEGIC PLAN:

Goal: #3

Objective: #4

ADMINISTRATION RECOMMENDATION: Recommended Not Recommended Without Recommendation

County Administrator: **Alan G. Vanderberg**

Digitally signed by Alan G. Vanderberg
DN: cn=Alan G. Vanderberg, o=US, ou=County of Ottawa, ou=Administrator's Office, email=avanderberg@mottawa.org
Reason: I am approving this document
Date: 2010.09.02 14:52:28 -0400

Committee/Governing/Advisory Board Approval Date: Pick from list

Memorandum

To: Health and Human Services Committee Members

From: Mark Kornelis, Program Supervisor, Ottawa Co. Community Action Agency/Ottawa County Housing Commission

Date: Sept. 1, 2010

Re: Sept. 8, 2010 Agenda -- Ottawa County Housing Commission

The HHS Committee agenda for Sept. 8, 2010 contains a request for approval for two amended documents pertaining to the formation of the Ottawa County Housing Commission (OCHC). This memo is intended to provide some background relative to the need for amending the original documents first approved by the Ottawa County Board of Commissioners in March, 2006.

The reason for the approval of the amended documents may be explained in greater detail elsewhere, but in brief resulted from information received from representatives from the US Department of Housing and Urban Development that the Ottawa County Housing Commission's formation documents (By-Laws and Ordinance) would not satisfy HUD's requirements in that particular sections were not in alignment with Public Act 18.

The members of the OCHC have wrestled with this matter over the past two years or so. The OCHC considered the importance of achieving HUD approval, ultimately concluding that doing so remained an important goal in order to ensure that the OCHC would be positioned to engage in a broad range of housing development activities. In late 2009, the OCHC through its connection to Community Action Agency (CAA), elected to use some of CAA's ARRA funds to pay for a consultant to help the OCHC plan for HUD approval and to lay the groundwork for an effective organizational model. The services of Hager Consulting were secured for a period of nine months, which will conclude on Sept. 30, 2010. In summary, the work and recommendation of Hager Consulting confirmed the importance of seeking HUD approval, and also confirmed the need to secure an amended ordinance and by-laws.

HOUSING COMMISSION ORDINANCE
of
OTTAWA COUNTY, MICHIGAN

Article 1—STATUTORY AUTHORITY

Michigan Counties have been delegated the right to create 5-member county housing commission. See MCL §125.653(3)(d). (“Act”). Pursuant to ~~MCL §125.655, the county board of commissioners has the right and responsibility to set restrictions on the authority of the county housing commission.~~

Article 2—PURPOSE & RESTRICTIONS

The Ottawa County Board of Commissioners hereby creates the “Ottawa County Housing Commission” (“Housing Commission”) **for all purposes permissible under, MCL 125.651 et seq., and state and federal law.** ~~The purpose of the Housing Commission is to take advantage of federal and/or state vouchers and other grant funding that may become available to Ottawa County residents through a created housing commission.~~ The Housing Commission shall have the powers conferred by **MCL 125.651 et seq., and by applicable** federal and/or state statute, except for the following:

- 2.1 The Housing Commission shall have no authority to assume debt or issue bonds or notes in its name or the name of Ottawa County, without the formal approval of the Ottawa County Board of Commissioners for each specific debt instrument. In no event, may the Housing Commission incur any liability for the general or other funds of Ottawa County.
- 2.2 The Housing Commission shall have no authority to acquire any interest in real estate, whether by lease, fee or other contract, without the formal approval of the Ottawa County Board of Commissioners for each specific acquisition.
- ~~2.3 The Housing Commission shall have no authority to employ any personnel or to contract for personnel services, but must instead use Ottawa County employees for all staff services under the direction and control of the Ottawa County Administrator.~~
- 2.3 The Housing Commission may not operate within any incorporated area within Ottawa County without a contract authorizing such operation that is approved by the Housing Commission, the Ottawa County Board of Commissioners and the incorporated unit of government’s legislative body. Such a contract, however, may not confer any authority restricted by this Ordinance. Moreover, such a contract must require the Housing Commission to comply with local zoning, unless otherwise agreed to by the local unit’s legislative body.

~~2.4 The Ottawa County Board of Commissioners may terminate this Ordinance and the Housing Commission at any time~~

Article 3—COMMISSION APPOINTMENTS

- 3.1 Pursuant to MCL §125.653, the Chairperson of the Ottawa County Board of Commissioners shall perform all of the duties relative to the Housing Commission that are to be performed by the chief administrative officer of a city or village under the Act relative to a local housing commission.
- 3.2 Subject to the ratification of the Ottawa County Board of Commissioners, the Chairperson of the Ottawa County Board of Commissioners shall appoint the members of the Housing Commission to 5-year terms, with the first members of the Housing Commission receiving staggered terms, **as provided for in MCL 125.654.**
- 3.3 At the request of its Chairperson, the Ottawa County Board of Commissioners may remove any member of the Housing Commission for any reason.
- ~~3.4 The Housing Commission may approve bylaws, but such bylaws must be approved by the Ottawa County Board of Commissioners and shall not be inconsistent in any way with the terms and conditions of this Ordinance. In the face of any inconsistency between the bylaws and this Ordinance, this Ordinance shall control.~~

Article 4—CIVIL AND CRIMINAL PENALTIES

In addition to any state or federal criminal penalty or action, a person who falsifies any information in any application for benefit to or through the Housing Commission or in the process of obtaining the services or benefits of the Housing Commission shall be guilty of a misdemeanor and shall be subject to a civil fine of not more than \$100.00 for a first violation and not more than \$500.00 for a second subsequent violation .

Article 5--EFFECTIVE DATE OF ORDINANCE & DELEGATION

This Ordinance shall take effect following notification of same in a newspaper of general circulation in the County of Ottawa **as provided by law**, provided no petition has been filed pursuant to the Act or 1988 PA 227, MCL §46.11. In the event that such a petition is filed, this Ordinance shall become effective only at the time that the voters approve.

The Chairperson of the Ottawa County Board of Commissioners and the Ottawa County Administrator are hereby delegated the authority and responsibility for implementing this Ordinance and signing and filing any necessary documents with state and/or federal authorities.

Philip Kuyers, Chairperson
Ottawa County Board of Commissioners

CERTIFICATION

I, Daniel C. Krueger, the Ottawa County Clerk, hereby certify that the Ottawa County Board of Commissioners duly approved this Ordinance and directed that it be executed by the Chairperson of the Board of Commissioners, whose signature has been applied above.

Daniel C. Krueger

Dated: _____

County of Ottawa
Housing Commission

By-Laws of the County of Ottawa Housing Commission

Article I - The Commission

Michigan Counties have been delegated the right to create 5-member county housing commission. See MCL §125.653(3)(d) (“Act”). ~~Pursuant to MCL §125.655, the County Board of Commissioners has the right and responsibility to set restrictions on the authority of the county housing commission.~~

Name of Commission

The name of the Commission shall be the “Ottawa County Housing Commission.”

Offices of the Commission

The offices of the Commission shall be at 12220 Fillmore Street, West Olive, Michigan, but the Commission may hold meetings at such other place or places as it may from time to time designate.

Pursuant to MCL §125.653, the Chairperson of the Ottawa County Board of Commissioners shall perform all of the duties relative to the Housing Commission that are to be performed by the chief administrative officer of a city or village under the Act relative to a local housing commission.

Membership

Appointment

Subject to the ratification of the Ottawa County Board of Commissioners, the Chairperson of the Ottawa County Board of Commissioners shall appoint the members of the Housing Commission to 5-year terms, with the first members of the Housing Commission receiving staggered terms.

Resignation

Any member desiring to resign from the Commission shall submit a written or oral resignation to the Commission or to the County Board of Commissioners.

Removal

At the request of ~~it's~~ the **Commission** Chairperson, the Ottawa County Board of Commissioners may remove any member of the Housing Commission for any reason.

Removal for Absenteeism

A member shall be removed from the Commission without vote for the following:

1. Failure to attend less than 75% of all meetings within one (1) calendar year.
Such removal shall be documented and a letter sent to the removed member

explaining the reason for removal. A photocopy of the removal letter shall be forwarded to the Ottawa County Board of Commissioners.

Article II - Officers

The officers of the Commission shall be a ~~Chair~~ **President** and Vice-~~Chair~~ **President**. No one person may hold more than one office at any one time.

Duties, Responsibilities and Elections

~~Chair~~ President

The ~~Chair~~ **President** shall preside at all meetings of the Commission. At each meeting the ~~Chair~~ **President** shall submit such recommendations and information as he or she considers appropriate concerning the business, affairs, and policies of the Commission.

~~Vice-Chair~~ President

The Vice-~~Chair~~**President** shall perform the duties of the ~~Chair~~ **President** in the absence or incapacity of the ~~Chair~~**President** and in case of the resignation or death of the ~~Chair~~ **President**, the Vice-~~Chair~~ **President** shall perform such duties as are imposed on the ~~Chair~~ **President** until such time as the Commission shall select a new ~~Chair~~ **President**.

A staff member assigned by Ottawa County shall serve as the Commission's Secretary. The Secretary shall keep the records of the Commission and record all votes, and keep the proceedings of the Commission in a journal, and shall perform all duties incident to the office of Secretary. The duties and responsibilities of the Secretary may be delegated to a subordinate County **Commission** employee.

Additional Duties

Members of the Commission shall perform such other duties and functions as may from time to time be required by the Commission, By-Laws, rules and regulations of the U.S. Department of Housing and Urban Development. ~~or the County of Ottawa.~~

Committees and Subcommittees

Committees and subcommittees may be formed from time to time as needs require, with the consent of the Commission. Such committees and subcommittees shall consist of not more than two (2) Commission members. Such committees and subcommittees shall not perform official action on behalf of the Commission, but shall be empowered to perform research and present recommendations to the Commission as a whole.

Elections and Appointments

The ~~Chair~~ **President** and Vice-~~Chair~~ **President** shall be elected at the annual meeting of the Commission from among members of the Commission, and shall hold office for one year or until their successors are elected and qualified. The elections shall be by roll call vote.

Vacancies

Should the offices of ~~Chair~~ **President** and ~~Vice-Chair~~ **President** become vacant, the Commission shall elect a successor from its membership at the next regular meeting, and such election shall be for the unexpired term of said office.

Personnel

~~The Housing Commission shall have no authority to employ any personnel or to contract for personnel services, but must instead use Ottawa County employees for all staff services under the direction and control of the Ottawa County Administrator.~~

Article III-Purpose and Restrictions

~~The purpose of the Housing Commission is to take advantage of federal and/or state vouchers and other grant funding that may become available to Ottawa County residents through a created housing commission.~~ The Housing Commission shall have the powers conferred by **MCL 125.651, et seq.,** and by federal and/or state statute, except for the following:

Debt

The Housing Commission shall have no authority to assume debt or issue bonds or notes in its name or the name of Ottawa County, without the formal approval of the Ottawa County Board of Commissioners for each specific debt instrument. In no event, may the Housing Commission incur any liability for the general or other funds of Ottawa County.

Operating Restrictions

The Housing Commission may not operate within any incorporated area within Ottawa County without a contract authorizing such operation that is approved by the Housing Commission, the Ottawa County Board of Commissioners, and the incorporated unit of government's legislative body. Such a contract, however, may not confer any authority restricted by ~~this~~ Ordinance. Moreover, such a contract must require the Housing Commission to comply with local zoning, unless otherwise agreed to by the local unit's legislative body.

Acquisition of Interest

The Housing Commission shall have no authority to acquire any interest in real estate, whether by lease, fee or other contract, without the formal approval of the Ottawa County Board of Commissioners for each specific acquisition.

Termination

~~The Ottawa County Board of Commissioners may terminate this Ordinance and the Housing Commission at any time~~

Article IV - Meetings

Meeting Procedures

All regular and special meetings of the Commission shall be conducted according to the rules contained in Robert's Rules of Order.

Annual Meeting

The annual meeting of the Commission shall be held on the same date and at the same location as the regular meeting date in January of each calendar year. During the annual meeting the Commission shall elect officers and review its By-Laws.

Regular Meetings

Notice of regular meetings shall be posted in accordance with the Open Meetings Act, **MCL 15.251 et seq.** (~~Michigan Public Act 267 of 1976.~~) The notice of the meeting shall contain the date, time, location of the meeting, and an agenda, which shall list all normal business that the Commission reasonably expects to address during the meeting. The meeting shall be open to the public, and persons receiving services managed by the Commission shall be encouraged by the Commission to attend.

Special Meetings

The ~~Chair~~ **President** of the Commission may, when he or she deems necessary, call a special meeting of the Commission for the purpose of transacting Commission business. During an emergency, Commission members may call a special meeting in the absence of the ~~Chair~~ **President**. Notice of the special meeting shall be posted in accordance with the Open Meetings Act. (~~Michigan Public Act 267 of 1976.~~) The notice of the meeting shall contain the date, time, location of the meeting, and an agenda, which shall list all business that the Commission reasonably expects to address during the meeting.

Quorum

At all meetings of the Commission, three (3) members of the Commission shall constitute a quorum for the purpose of transacting business; providing that a smaller number may meet informally and adjourn to some other time or until a quorum is obtained. However, no official business or action may be taken until a quorum is present.

Resolutions

All resolutions shall be in writing, and shall be copied into a journal of the proceedings of the Commission. All resolutions shall be voted on by voice "yes," "no," or "abstain" vote. The votes of individual Commission members shall be entered into a journal of the proceedings of the Commission.

Manner of Voting

The voting on all questions coming before the Commission shall be by voice "yes," "no," or "abstaining" vote. Approving, dissenting, and abstaining votes shall be entered into the journal of the meetings, except where the vote is unanimous it shall only be necessary to so

state. Unless waived by a majority of members present, business requiring a vote must appear on the previously published agenda of each meeting.

Official Action

Except as otherwise provided in these By-Laws or by law, the vote of a majority of the Commissioners present at a regular or special meeting in which a quorum is present shall constitute an official action by the Commission.

Article VI-Amendments

Amendments to By-Laws

The By-Laws of the Commission shall be amended only with the approval of at least three of the members of the Commission at a regular or special meeting. ~~Amendments to the By-Laws may only be made following approval by the Ottawa County Board of Commissioners~~

Organizational Review

Ottawa County Housing Commission (OCHC)

Hager Consulting reviewed several OCHC documents and related legislation in order to compare the OCHC to other housing commissions, gain a greater understanding of the legal structure, capacity, and capability to implement housing programs and developments. The following documents were reviewed:

- OCHC County Resolution – 3/14/06
- OCHC County Ordinance
- OCHC Bylaws
- Study Group Report
- Michigan Public Act 18, as Amended

HOUSING COMMISSIONS - BACKGROUND

Enabling Legislation

Historically, states created the enabling legislation to allow local units of government to create housing commissions to access federal housing programs and funding for these federal programs. OCHC was created by the County of Ottawa pursuant to Public Act 18 of the State of Michigan as amended which is commonly referred to as the State Enabling Legislation Act. The Act authorizes any city, village, township or county to create, by ordinance, a commission to address housing issues within their jurisdiction.

According to Public Act 18, housing commissions are recognized as a Public Body Corporate and may do the following:

- Sue and be sued in any state court
- Form or incorporate nonprofit corporations
- Serve as shareholder or member of a qualified nonprofit(s)
- Form or incorporate for-profit corporations, partnerships and companies
- Own real property

In 1996, Public Act 18 was amended to allow housing commissions a broader scope of power and provided for many of the powers listed above. It was also at this time that the requirement to have at least one resident of the property owned and managed by the housing commission serve on the Board of Directors.

One of the motivating factors for the 1996 amendments was to allow housing commissions to develop affordable housing using Low Income Housing Tax Credits, grants, bank financing and other types of development financing.

Clarification of Terms

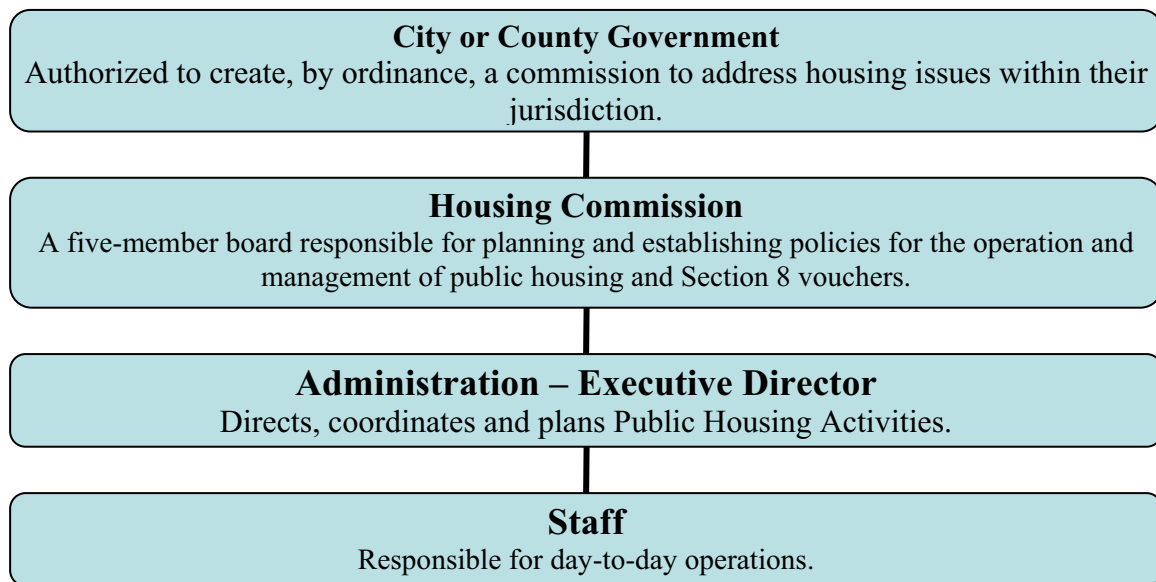
The Michigan Public Act specifically uses the term “Housing Commission.” Michigan, along with a few other states, uses the term “Housing Commission” and all other states use the term “Housing Authority”. All of the HUD documents will say PHA or Public Housing Authority which are intended to include Michigan Housing Commissions. Now HUD’s new documents use the term “Public Housing Agency.” Confusing - yes, but

there are many HUD requirements and definitions that are exclusive to their agency and confuse those not familiar with HUD language.

Typical Functions

There are approximately 131 housing commissions active in Michigan. The majority of Michigan housing commissions administer Section 8 Housing Choice Voucher (HCV) program and own and manage HUD funded rental housing developments (typically referred to as “public housing”).

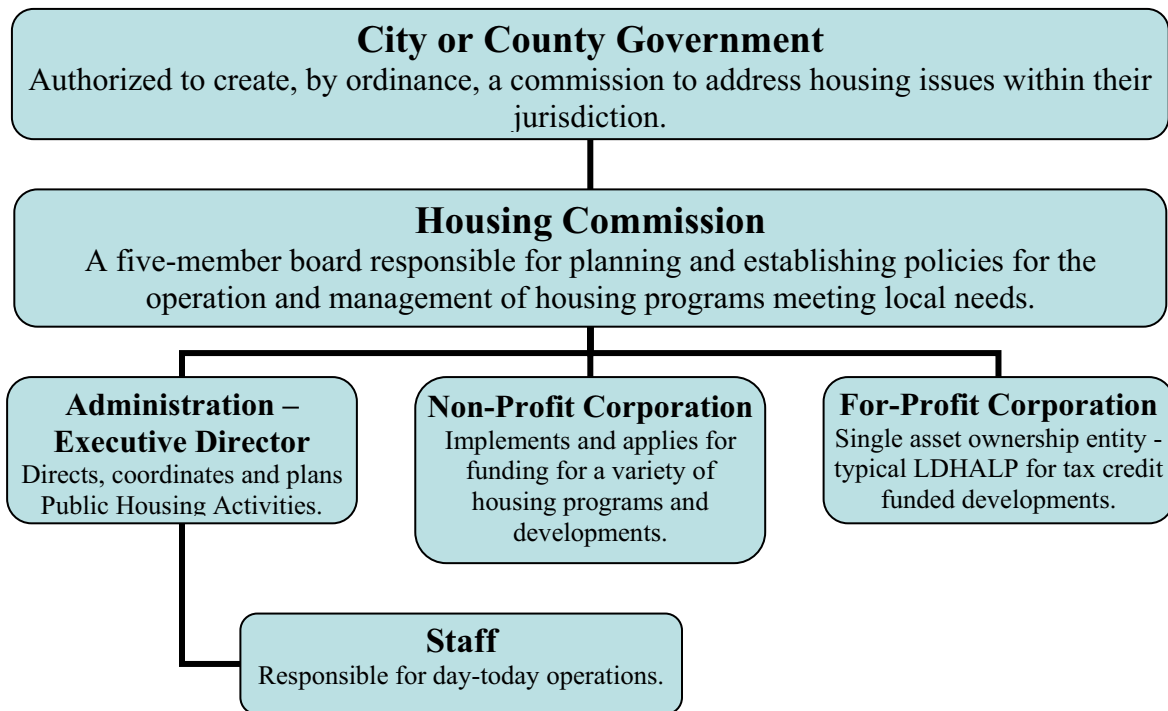
The organizational structure of typical Michigan housing commissions is as follows:



There are a few housing commissions that have been created in Michigan which administer housing programs or develop residential properties without HUD funding. Empowered by the 1996 Amendment to Public Act 18, several Michigan housing commissions have created nonprofit and for-profit subsidiaries for the purposes of meeting identified housing needs in their communities.

Some housing commissions administer homebuyer and home acquisition, develop, resale (ADR) programs, create mixed-use developments, and facilitate new construction of single and multi-family developments. These housing commissions utilize funding by Michigan State Housing Development Authority (MSHDA), Federal Home Loan Bank, municipalities, foundations, bank loans, bonds and other creative financing mechanisms. Examples of housing commissions that have pursued alternatives to HUD housing financing include Big Rapids Housing Commission, Ingham County Housing Commission, Grand Rapids Housing Commission, and Sault Ste. Marie Housing Commission.

Below is the organizational structure typical of a housing commission that assumed a more comprehensive role in providing non-traditional housing programs and developments:



ANALYSIS OF OCHC COUNTY RESOLUTION

The resolution does not appear to have any issues other than it adopts an ordinance that has areas of concern noted in the Analysis of OCHC Ordinance section below.

ANALYSIS OF OCHC ORDINANCE

The ordinance adopted by the Ottawa County Housing Commission has some areas that may be contradictory to the Michigan Public Act 18 as amended as described below. These points should be reviewed by legal counsel for an opinion. Some areas that have been identified to be reviewed are:

“2.3 The Housing Commission shall have no authority to employ any personnel or to contract for personnel services...”

Comment: The act has a provision stating the housing commission has the power to employ and prescribe the duties of employees.

“2.5 The Ottawa County Board of Commissioners may terminate this Ordinance and the Housing Commission at any time.”

Comment: Funding sources (e.g. HUD, MSHDA, tax credit syndicators, FHLBI, etc.) likely will not accept that the housing commission can be dissolved by the creating authority.

“3.4 The Housing Commission may approve bylaws, but such bylaws must be approved by the Ottawa County Board of Commissioners and shall not be inconsistent in any way with the terms and conditions of this ordinance...”

Comment: The public act provides that the housing commission shall adopt its own rules of procedure and record keeping.

Generally, most creating authorities adopt a simple ordinance stating that the housing commission shall be given those powers as described within Public Act 18, without further restrictions. It is likely that HUD recognition will require these changes noted above. The act clearly states that housing commissions shall have complete control of the entire housing project(s) as if they were private owners. Also, the Act states contracts for construction or purchase of materials shall not be required to be made through any municipal purchasing departments.

The County Board of Commissioners retains certain rights and authority per the public act such as approving the compensation of housing commission employees, requiring its approval before any grants or agreements for funding can be accepted, requiring an annual report, and requiring all real property transactions to be in the name of the county among others.

ANALYSIS OF OCHC BY-LAWS

The OCHC by-laws contain some areas that need to be reviewed for compliance with Public Act 18. Sections in the by-laws that should be reviewed by legal counsel include:

ARTICLE II – Officers - The public act specifically states the titles of President and Vice President not Chair and Vice-Chair. This is minor issue and may not be worth noting. Further, the by-laws state that a staff member of Ottawa County staff shall serve as Secretary. The public act states that the housing commission may employ and fix the compensation of a director who may also serve as Secretary. Typically the Executive Director is the Secretary but it could also be a member of the housing commission.

ARTICLE II – Personnel - The by-laws require the use of Ottawa County staff and eliminates the ability to hire anyone else including professional service providers. The public act states that a housing commission has the authority to employ the necessary number of employees and contract for professional services when necessary.

ARTICLE III - Purpose and Restrictions - The subsection of DEBT may be problematic to lenders or granting agencies but the public act gives the power to create authority to require some of the restrictions in Article III. It is recommended that this section be revised. It would be much more beneficial to state that all the housing commission activities are subject to the oversight and approval of the county where provided for in the public act.

ARTICLE IV – Meetings - The public act requires the housing commission to meet at regular intervals and it is recommended that this should be stated in the by-laws. For example, “The housing commission shall meet on the third Wednesday of each month at 8:30 a.m. at the general office of the housing commission.”

ARTICLE VI (SHOULD BE V) – Amendments - This section requires any amendments to the by-laws to be first approved by the county. The public act specifically states that the housing commission shall adopt its own rules and procedures.

Examples of by-laws from other Michigan housing commissions are attached.

HUD RECOGNITION

According to the HUD Handbook for Housing Development, a new public housing agency (PHA) will be recognized by HUD and allowed to submit an application for funding when the following are submitted to the HUD Area Office:

1. The State enabling legislation
2. The governing body ordinance establishing the PHA
3. The governing body rules and procedures for adopting ordinances
4. The opinion of the governing body attorney that the PHA complies with state and local laws
5. A certificate of incumbency from the governing body which identifies the board and terms
6. The PHA by-laws
7. The PHA commissioners oath of office and certificate of appointment
8. The public notice of the PHA organizational meeting and minutes of the meeting
9. The resolution designating PHA officers
10. A certified statement as to the authenticity of all documents.

Also, a Cooperation Agreement may be required which is a HUD document executed between the local government (e.g. County Board of Commissioners) and PHA to provide the level of cooperation as determined by HUD.

It is recommended that these documents be submitted to the Area Office (likely the Detroit Field Office or Chicago Regional Office). More information on HUD approval/recognition will be provided under separate cover.

ANALYSIS OF STUDY GROUP REPORT

The report contains some excellent background information and demonstrated understanding of the potential housing opportunities within Ottawa County. The primary goal of the formation of the Ottawa County Housing Commission was to access the HUD Section 8 Housing Choice Voucher (HCV) program.

It is our understanding that no new incremental HCV allocations have been available for several years. Most agencies have not received adequate funding through HUD because of lack of Congressional appropriations to fully lease the number of HCVs that they have in their portfolios. This has caused several smaller PHA's to voluntarily eliminate their programs and the HCVs have been redistributed to other agencies that have existing HCV programs. More research and review will be provided with respect to the likelihood of obtaining federal funding for the HCV program.

The Study Group Report correctly identifies the PHA structure and statutory powers that are available to facilitate housing programs. It also accurately states that development of new public housing units is not being funded currently, hasn't been in many years and is not likely in the foreseeable future.

The report refers to low income housing tax credit projects and other potential development opportunities. We will provide an in depth analysis of tax credit developments and clarify some of the reports' discussion on subsidies and compliance periods.

Generally, housing commissions within Michigan are expanding their services and housing products through a wide variety of non-traditional PHA methods. There has not been any significant public housing developed with HUD funding within the last decade other than replacement housing.

It is recommended that the Ottawa County Housing Commission become a member of the National Association of Housing and Redevelopment Officials (NAHRO) to obtain and receive updated information regarding the affordable housing industry. NAHRO membership will provide all of the housing commissioners with a bi-monthly newsletter and monthly magazine. Also there is a very active Michigan chapter of NAHRO that provides professional development and updates on national and state housing programs.

Ottawa County Housing Commission Implementation Steps

August 26, 2010

The Ottawa County Housing Commission (OCHC) should perform the following actions to become fully operational:

1. The County Commissioners should **adopt the revision(s) to the Ordinance** as recommended and reviewed by legal counsel to provide OCHC the capability to participate in various housing programs/projects that may be available.
2. OCHC should **amend its By-laws** as recommended and in accordance with Public Act 18.
3. **Create non-profit subsidiary Articles of Incorporation and By-laws** to conform to federal and state community housing development organization (CHDO) guidelines for administering affordable housing programs/developments. The OCHC Board can serve as the Board for the nonprofit subsidiary.
4. **Apply to the Internal Revenue Service for 501(c)(3) status** for the non-profit subsidiary. This process can take from 6-12 months if the IRS requires changes and/or revisions to the application. It is important to note that most of the affordable housing program/development opportunities will require a non-profit designation. Therefore, applying to the IRS should be immediately considered.
5. **Submit the required documents as recommended to HUD to obtain formal recognition as a Public Housing Agency (PHA).** This would allow the OCHC to take advantage of future grant opportunities for housing programs that only PHAs are eligible to apply for.
6. **Apply for Community Housing Development Organization (CHDO) status** to the Michigan State Housing Development Authority (MSHDA) which could provide the OCHC with some potential operational funding.
7. **Join the National Association of Housing and Redevelopment Officials (NAHRO)** so that the OCHC members and staff can access the resources and information available to assist in the productivity of the agency.
8. **Discuss and consider staffing options and need.** The current relationship with Michigan Works and Community Action Agency should be reviewed to evaluate contractual opportunities. Partnering with local agencies and jurisdictions to identify unmet, county-wide needs is also important. Retaining a consultant is a viable option to allow the agency to gradually build capacity.
9. **Develop/obtain a funding mechanism for the organization to begin implementing the above steps.** Potential sources could be: local units of government (Ottawa County, townships and cities) who would benefit by having the OCHC implement housing programs within their jurisdiction, local community foundations that have an interest in housing, grants, and other non-profits that also have an interest in housing. Start up costs could be “borrowed” from a willing source and repaid when and if the agency has the revenue stream.