

Minutes of the Ypsilanti Housing Commission

Thursday, January 12, 2017 – 6:00 p.m.

601 Armstrong Dr., Ypsilanti, MI 48197

Meeting called to order at 6:15pm by Commissioner Smith.

ROLL CALL:

- | | |
|--------------------------------|---------|
| • Commissioner Brannon | Present |
| • Commissioner Hollifield | Present |
| • Commissioner Moore | Absent |
| • Commissioner Palmer | Present |
| • Commissioner Smith | Present |
| • Executive Director Z. Fosler | Present |

APPROVAL OF AGENDA: R. Smith asked if there were any changes to be made to the agenda. V. Brannon moved to approve the agenda as written, second by C. Hollifield.

Motion passed: 4-0.

APPROVAL OF MINUTES: R. Smith asked if there were any changes to be made to the meeting minutes of December 15, 2016. V. Brannon noted a typo under Regulatory, Oversight, and Legal Actions. V. Brannon moved to approve the minutes as amended, second by C. Hollifield.

Motion passed: 4-0.

AUDIENCE PARTICIPATION: None.

CITY COUNCIL MEMBERS' COMMENTS AND QUESTIONS: None.

RESIDENT COUNCIL REPORT: None.

OLD BUSINESS:

- **Section 8 Property in Milan:** Z. Fosler presented the Board with a memo from the YHC attorney for development-related matters, Eric DeGroat, concerning whether the YHC can operate outside of the city. The attorney advised that the YHC can operate outside of the city in cooperation with the municipality in which it would be operating. It may be a requirement for the YHC to have a PILOT (Payment in Lieu of Taxes) agreement with the City of Milan. Z. Fosler will update CCA on the contents of the memo. V. Brannon expressed that the possibility of operating outside the city is still a grey area because the memo does not state that the YHC has specific authorization to do so. V. Brannon asked the Board whether such a project would be considered reaching beyond the scope of YHC's mission. She expressed concern about buying properties outside the city when the YHC has committed to focusing on programming for its own residents. R. Smith asked if there would be any benefits specifically for the residents of Ypsilanti besides the benefits that increased housing would have for Washtenaw County overall.

Z. Fosler stated that the project would be beneficial if the acquired property can generate revenue for the YHC. Z. Fosler stated that YHC control of a property that currently has a Section 8 contract helps to ensure that the property remains affordable, otherwise preventing a possible future conversion to market rate housing by a private developer. R. Smith asked if the property in question is occupied or in need of major renovations. Z. Fosler replied that he has not personally seen the property, but it is occupied and appears to be in decent shape from the photographs he has seen. C. Hollifield stated that he is concerned that the City of Milan may place residency restrictions on the property prohibiting Ypsilanti residents from moving in. C. Hollifield stated that the YHC may be perceived negatively if the community is made aware of housing that is inaccessible to Ypsilanti residents. Z. Fosler stated that it would not be possible for a municipality to place such a restriction on the acquired property.

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Z. Fosler also stated that the primary benefit of acquiring the property would not be to provide additional housing for Ypsilanti residents, given its distance from Ypsilanti, but rather to generate additional revenue for the YHC that can be used to benefit YHC residents. T. Palmer stated that the project would be a good idea if it benefits YHC residents in some way. R. Smith asked Z. Fosler to follow up with any additional information regarding the Milan property at future Board meetings.

NEW BUSINESS:

- **Change of Date for June Board Meeting:** Z. Fosler stated that he will be out of town on June 8th. He stated that the Board can reschedule the meeting or cancel it altogether. R. Smith moved to table the discussion until the next meeting when Commissioner Moore is present, second by V. Brannon.

Motion passed: 4-0.

- **Resolution 17-01 to update board member names and terms:** Z. Fosler stated that this is the first of a series of resolutions prepared by Eric DeGroat to make sure that the resident agents for all related entities and subsidiaries are correct and up to date. V. Brannon offered the resolution for discussion, second by C. Hollifield. Z. Fosler explained that resolution #17-01 will update the names of current YHC Commissioners, and allows the Executive Director to change the Resident agent of the YHC and its affiliated subsidiaries to Eric DeGroat. V. Brannon asked if the Commissioners of the YHC are on the boards of all affiliated subsidiaries. Z. Fosler explained that the Commissioners are listed as Board members for all affiliated subsidiaries.

Resolution 17-01 passed: 4-0.

- **Resolution #17-02 to Adopt MERS 457 Retirement Plan:** V. Brannon offered the resolution for discussion, second by C. Hollifield. Z. Fosler explained that the 457 Plan is an additional deferred compensation account for YHC employees to save money for retirement. R. Smith asked what is currently available for YHC employees. Z. Fosler explained that the YHC currently has a pension plan that has a 10-year vesting period. R. Smith asked if the 457 plan would replace the current pension plan. Z. Fosler explained that the 457 Plan is in addition to the pension plan. R. Smith asked Z. Fosler to clarify that the plan is of no additional cost to the employer. Z. Fosler explained that there is no additional cost because the employer does not contribute any funds. V. Brannon asked if Z. Fosler has read the MERS Master Plan document. Z. Fosler explained that he has reviewed it. V. Brannon expressed that she does not want to pass the resolution until the Board has had a chance to read that document. Z. Fosler agreed to send a copy of the Master Plan document to the Board. R. Smith moved to table the vote until the next meeting, second by C. Hollifield.

Motion passed: 4-0.

- **Resolution of YHC Parkview Inc. to Change Resident Agent:** V. Brannon offered the resolution for discussion, second by C. Hollifield. Z. Fosler explained that the purpose of the remaining resolutions is to make sure that the Resident Agent for all entities is either Zac Fosler or Eric DeGroat. V. Brannon asked if these changes are consistent with the bylaws. Z. Fosler explained that Eric DeGroat reviewed all entity documents and confirmed that the changes are consistent with the bylaws. V. Brannon asked for a definition of Resident Agent. Z. Fosler explained that a Resident Agent is the person responsible for receiving information concerning that entity (i.e. notices from the state, etc.). Z. Fosler explained that the Resident Agent ensures that notices are filed properly and in a timely manner. R. Smith called for a vote.

Resolution passed: 4-0.

- **Resolution of YHC New Parkridge LLC to Change Resident Agent:** R. Smith offered the resolution for discussion, second by T. Palmer. V. Brannon asked to see the section of the Operating Agreement that the

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resolution proposes to amend. Z. Fosler read the section from the old Operating Agreement. R. Smith called for a vote.

Resolution passed: 4-0.

- **Resolution of YHC-Strong Future LLC to Change Resident Agent:** R. Smith offered the resolution for discussion, second by V. Brannon. No further discussion took place. R. Smith called for a vote.

Resolution passed 4-0.

- **Resolution of YHC Hamilton Crossing Inc to Change Resident Agent:** R. Smith offered the resolution for discussion, second by V. Brannon. No further discussion took place. R. Smith called for a vote.

Resolution passed 4-0.

- **Resolution of Housing Ypsi Inc. to Change Resident Agent:** R. Smith offered the resolution, second by V. Brannon. V. Brannon asked what HousingYpsi Inc. is. Z. Fosler responded that HousingYpsi is the non-profit that the YHC created when the Ypsilanti-Washtenaw Housing Corporation (the non-profit the YHC had been using to apply for tax credits) lost its tax-exempt status. The YHC kept HousingYpsi open after YWHC regained its tax-exempt status. V. Brannon asked if the YHC should dissolve this entity if it is no longer needed. Z. Fosler stated that he will be closing the entity in the future. R. Smith called for a vote.

Resolution passed 4-0.

- **Resolution of Revision Parkview LLC to Change Resident Agent:** R. Smith offered the resolution for discussion, second by T. Palmer. No further discussion took place. R. Smith called for a vote.

Resolution passed 4-0.

- **Resolution of YWHC to Change Resident Agent:** R. Smith offered the resolution for discussion, second by V. Brannon. No further discussion. R. Smith called for a vote.

Resolution passed 4-0.

MONTHLY REPORTS:

- **Regulatory, Oversight, and Legal Actions:** Z. Fosler stated that Strong Future Housing is being sued for a slip and fall incident on Maus Ave. that occurred in 2014. Z. Fosler stated that the YHC has no record that an incident occurred on that site. He also stated that the law firm sued the wrong entity because the property was under the ownership of the YHC on the date that the incident allegedly occurred, not Strong Future. Z. Fosler stated that he will update the Board when he gets an update from the attorney.

Z. Fosler stated that he has been subpoenaed regarding a Section 8 client that started in the program in 2010. Z. Fosler explained that the YHC does not have access to the documents for the client because the YHC no longer has a Section 8 program. To his knowledge, records related to Section 8 clients were transferred over to the state in 2012, prior to his time at the YHC.

- **RAD:** Z. Fosler gave the Board a construction update. Deborah Strong Housing (including Sauk Tail Pointe, Hollow Creek, Towner, and scattered sites) was successfully completed and fully occupied by the close of 2016. Z. Fosler stated that New Parkridge is on schedule, despite issues with DTE. DTE needs to redesign its utility infrastructure because of easement issues on the south side of Armstrong Drive that were brought to light after a nearby resident complained of perceived health hazards from living in close proximity to electrical equipment. This was a DTE oversight in the design process. DTE has redesigned the utility work to be completely underground.

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Z. Fosler explained that OHM, the City of Ypsilanti's contracted engineering firm, is asking for an additional \$50,000 to be submitted into escrow to continue services. Vicki has requested additional details from the City regarding the source of the increased costs and Z. Fosler will update the Board when he is updated by CCA.

Z. Fosler stated that he would like to take the Board on a walkthrough of completed units.

- **Financial Reports:** Z. Fosler and the Board reviewed and discussed the financial reports. Z. Fosler followed up on questions raised during the last meeting regarding expenses for the month of October. Z. Fosler explained that there was a high water/sewer/plumbing expense due to the payment of old invoices and a tub replacement in Towner. Z. Fosler explained that Hamilton Crossing had a high recreation/community expense due to an auto insurance payment and costs for Family Empowerment Program services. V. Brannon asked if it is possible to get the "recreation" line item relabeled to "resident services." V. Brannon asked about the "land improvements" line item for Strong Future. Z. Fosler explained that he will follow up on the issue. R. Smith asked if there were sewer issues at Hamilton Crossing during the month of November. Z. Fosler explained that there was a sinkhole on the property. V. Brannon asked if there is a new leasing agent for Hamilton Crossing. Z. Fosler explained that the vacant position has been filled.

DIRECTOR'S REPORT:

- **Towne Centre Place Update:** Z. Fosler explained that the property is being acquired by another developer. Z. Fosler notified the City that the acquisition is taking place.
- **Community Gardens:** Z. Fosler explained that the YHC met with BLUELab, a U of M student organization focused on sustainability, to discuss designing community gardens for YHC properties. Z. Fosler also met with the Executive Director of Growing Hope, to discuss the gardens. Based on these discussions he intends to speak with BLUELab about their interest in focusing their scope to an innovative irrigation design, while using Growing Hope for the main garden design. TazJianna Davis, a YHC youth resident attending the Board meeting, asked if she could help design the gardens. She also asked if the gardens will contain flowers in addition to fruits and vegetables. Z. Fosler stated that we would love her input, that the YHC fully intends to engage residents in the garden planning and design process, and that the garden will likely contain both flowers and fruits/vegetables.
- **Eastern Leaders Group Presentation:** Z. Fosler presented an update of YHC activities and Marquan Jackson presented an update on the services provided by the Family Empowerment Program at the annual meeting of the Eastern Leaders Group. It was well-received and followed by multiple requests for the slides from the presentations.
- **New YHC Website:** Z. Fosler explained that the YHC is working with Chin-Azzaro to design a new website for the YHC. Yen Azzaro will be in contact with Board members to get collect bios and take photos for the website. V. Brannon asked if there will be a section dedicated to information for residents (i.e. forms, etc.). Z. Fosler responded in the affirmative.

COMMISSIONER COMMENTS:

- Commissioner Brannon: Congratulations and thank you for getting Deborah Strong Housing completed on time. I know we are all very excited to see this, especially given that Deborah Strong's name is on it. This is big. Thank you.

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Z. Fosler took a moment to read an email from Deborah Strong's daughter, Simone, thanking the YHC for all its efforts.

- Commissioner Hollifield: I am glad to see all the units starting to come together. It is really looking nice on Michigan Ave. I rode by New Parkridge the other day and the buildings are coming along very fast. I'm glad to see things moving along. We had a nice, informative meeting.
- Commissioner Palmer: I'm excited to get the garden started and to get the kids involved. I'm also excited to see the new apartments.
- Commissioner Smith: I received a text from Simone (Deborah Strong's daughter) on Christmas Eve. She wanted to thank the Board for everything we have done. There is also a commissioner training event coming up in March. There are a lot of great classes for commissioners. I am so pleased with the things that we're doing. We have a such a unique, diverse group with a great leader and a great assistant. I am very pleased to spend my evenings here with you. We are going to continue to do great things for our community.

ADJOURN: V. Brannon moved to adjourn, second by C. Hollifield **Passed: 4-0. Meeting adjourned at 7:55 pm.**

THEREFORE, BE IT RESOLVED:

The Ypsilanti Housing Commission and its Board of Commissioners, of the City of Ypsilanti, Michigan, hereby authorize the Executive Director to sign the approved Board of Commissioners minutes of January 12, 2017.

	YEAS	NAYS	ABSENT
Commissioner Brannon	_____	_____	_____
Commissioner Hollifield	_____	_____	_____
Commissioner Moore	_____	_____	_____
Commissioner Palmer	_____	_____	_____
Commissioner Smith	_____	_____	_____

Zachary D. Fosler, Executive Director