HOUSING AUTHORITY
Minutes – February 1, 2023
In person at Planning Office
and via Zoom

Call to Order: Chair Schulz called the meeting of the Housing Authority of Rock County to order at 9:01 AM on Wednesday, February 1, 2023.

Members present in person: Chair Supervisor Kathy Schulz
Members present via ZOOM: Supervisor Bill Wilson, Billy Bob Grahn, and Jason Heindenreich
Members Excused: Michelle Ponkauskas

Rock County Staff present: Ilana Eisenberg (Office Coordinator) and Andrew Baker (Planning Director)

Additional participants: Todd Mandel (WPHD), Alexis Camacho Stedman (Legal Action of Wisconsin) and Aaron Stroede (Attorney with Legal Action)

Other present via zoom: Sheila Williams

Adopt Agenda: Mr. Grahn made a motion to approve. Supervisor Wilson seconded the motion. ADOPTED

Approval of Minutes from Meeting Held January 4, 2022: Mr. Heidenreich made a motion to approve. Supervisor Wilson seconded the motion. ADOPTED

Citizen Participation, Communications and Announcements: None

Update from Legal Action:

Alexi Camacho Stedman and Aaron Stroede were present at the meeting to discuss Legal Action of Wisconsin and how they play a role in Rock County. Legal Action can give sound advice to tenants and landlords. One of the many services offered are attending hearings for a range of issues, assuring livable conditions are provided to tenants, security deposit assistance, and educating future or existing tenants. They are set to make a presentation regarding their available assistance later in February for the residents of Milton and in the Spring at the Edgerton Library. Legal Aid embarks on projects to aid tenants with redaction and money issues that could lead to rejection. They are currently located at the ECHO of Janesville running with hours from 8 am to 5 pm and at the Rock County Stability Project (Hedberg Library) for afterhours consulting. With the WERA program ending as of January 31st, Legal Aid and Community Action have already seen an influx of applications seeking assistance. Landlords seldom ask Legal Aid for help unless its to attempt to evict a tenant, but not to seek help working out issues. Legal Action is seeing more people seeking help with ADRC and fixed incomes with housing issues. Legal Action is not able to solicit referrals, but anyone can refer people to seek Legal Aid and work primarily through referrals. They also work very closely with the County Human Services Department.

Approval of Revised Policy and Procedure Manual Related to HOME Program:

Todd Mendel form WPHD proposed a newer policy in relation to the HOME project and down payment assistance, which reads as follows:

Rock County Purchase-Rehab Program

Purpose:
The Purchase-Rehab program provides low-to-moderate income households access to loan funds to purchase a home and make home repairs required to pass a Housing Quality Standards (HQS) inspection.

Loans:
The program provides two loans, both closed at the time of home purchase. Both loans are 0% interest (no monthly payments required); due upon sale, transfer, or if the home is no longer the owner's primary residence.
1. A Down Payment Assistance loan (DPA), which provides the homebuyer with a loan of up to $10,000.
2. A Homeowner Rehab loan, which provides the homebuyer with a loan of up to $30,000 to address repairs as determined by an HQS inspection conducted prior to closing.

Eligibility:
All rules currently outlined in the DPA and Homeowner Rehab programs will apply to eligibility, including income limits, property location and requirements, property value limits (purchase and post-rehab), and homebuyer counseling requirements. Applicants must have a front-end ratio that does not exceed 30% and back-end ratio that does not exceed 48%. Financing must be a minimum of a 10-year ARM with a one year reset period. 30-year fixed rate mortgages are preferred. Mortgage rates may not exceed 200 basis points above the current market average.

Buyers must bring a minimum of $1,000 of their own funding to the closing. Buyers must also have additional grant/match sources equal to 25% of the combined amount of the purchase and rehab loans. Buyers who do not have sufficient match may request a waiver. Match sources include: non-federal grants, non-federal down payment assistance loans that are at a below market interest rate, interest *rate savings from tax-exempt bond financing (WHEDA mortgages), and transaction cost discounts (reduced commission, fee waivers, etc).*

Application:
Application takes place through the DPA program, and DPA program guidelines are followed. If determined eligible, a commitment letter is provided to the lender.

Inspection:
After DPA approval, an HQS inspection is performed by contractor staff to identify any code violations that need to be addressed. The client may also request specific improvements to the property that are reasonable and customary. Contractor staff will generate an estimated cost of the rehab, this estimate will service as the basis for the loan.

Closing:
The two loans, DPA and Homeowner Rehab, are closed at the time of the home purchase closing.

Rehab:
The homeowner has a maximum of 6 months to complete the required repairs, from the date of the loan closing. WPHD staff will work with the homeowner to obtain bids and monitor construction until the work is complete. A final inspection is conducted upon completion to ensure the work meets HQS requirements. Contractors are paid by Rock County after the work is completed and passes inspection.

Change Orders:
Any change orders up to $5,000 can be approved by contractor staff. Change orders over $5,000 will be presented to the Rock County Housing Authority for approval. A second loan closing will take place to secure the amount of change orders on title.

Funding:
Projects will be funded with HOME funds.

Todd explained that qualifications are good for 12 months. There was discussion about the possibility for taking out the match generation. If that is removed, may be difficult to enforce in the future. The matching sources can be in the form of the down payment assistance, WHEDA funds, and energy rebate (solar panels), or funds used from the Federal Home Bank of Chicago. The updated document fulfills all the requirements that the HUD demands. The Housing Authority could change any of the requirement should they see it be necessary. There was also discussion of providing marketing materials and information for social media that would be less confusing for people to read and understand. This would be provided to local lenders to refer potential homeowners that could benefit from the program.

Supervisor Wilson made the motion to approve the revised policy and procedure manual related to the HOME program. Mr. Heidenreich seconded the motion. CARRIED.

Follow Up Discussions:

Discussion of developing a county-wide Housing Strategy (Fox Cities – Outagamie County Distributed in the Past):
Supervisor Wilson is gathering more information and will have it together for the next meeting on March 1, 2023. The possibility of comparing with other organizations and setting a target date to present this strategy to the County Board.

Housing Authority Membership:
The possibility of Mr. Heidenreich no longer being on the committee due to schedule complications. There needs to be a total of 5 members on this committee, and there is a 3-year commitment time period.

Suggestions for Future Meeting Topics:
The next meeting is to be on March 1, 2023, at 9 am. Data is to be gathered in regard to the housing concerns throughout the counties, such as work force housing and other concerns. The possibility that Mr. James Otterstein (Economic Development Manager) could be available to present information that correlated the jobs and housing within the County.

Adjournment:
Supervisor Wilson made the motion to adjourn at 10:06 am. Ms. Grahn seconded the motion. ADOPTED

Next meeting: 03/01/2023 at 9:00AM

Respectfully submitted,
Ilana Eisenberg, Office Coordinator