

The special meeting of the Mason County Board of Commissioners was held at 7:00 p.m. in the conference room of the Mason County Airport Terminal.

The meeting was called to order by Chair Andersen.

Roll call was taken. Present: Krieger, Johnson, Hartley, Squires, Hull, Bacon, Andersen.

Absent: None.

Invocation and the Pledge of Allegiance to the flag was recited by Squires.

Motion by Bacon and seconded by Hull to approve the agenda. Motion carried.

Public comment:

Ms. Joanne Arnold, Ludington, inquired as to what the “Chill Grant” is and from what she had been reading felt she saw no downside to this and was here to show her support.

Motion by Krieger and seconded by Hull to move into a Public Hearing regarding the CHILL Grant. Motion carried.

Deputy Administrator Kaitlyn Szczypka presented a slide presentation regarding the CHILL Grant. The outline of the presentation is listed below:

CHILL Grant Presentation

Terms:

- Community Development Block Grant (**CDBG**)
- CDBG Housing Improving Local Livability (**CHILL Grant**)
- Housing Improvement Project (**HIP**)
- Low- to Moderate-Income (**LMI**)
- Michigan State Housing Development Agency (**MSHDA**)

Mason County Community Data - From the 2022 American Community Survey Data on Mason County

- The County population is 29,178.
- The median household income is \$60,744 and the per capita personal income is \$34,205.
- 41.3 % of households make less than \$50,000.
- The number of individuals living in poverty is 4,256.
- The average median age is 46.7 and the average household size is 2.36.
- There were 17,451 housing units within the county; of which 9,609 are owner occupied.
- There were 43 homes without either complete plumbing or kitchen facilities.
- 57.8% of all homes in Mason County were built before 1979.

Mason County Housing Challenges

- 2,430 housing units needed in the County in the next five (5) years.
- 266 occupied households considered substandard.
- 3,002 households are cost burdened.
- LMI houses are generally over 50 years old with additional costs for repairs and improvements.

What is the CHILL Grant?

- The **Michigan State Housing Development Authority (MSHDA)** is distributing **Community Development Block Grant (CDBG)** funds for **Homeowner Improvement Projects (HIP)** through the: **CDBG Housing Improving Local Livability (CHILL) Grant**
- Mason County is applying for \$500,000 in CDBG funds through the CHILL Grant and will provide \$50,000 in matching funds.

CHILL Grant Program Goals

- Preserve owner-occupied housing units by offering LMI homeowners up to \$40,000 to address health and safety concerns and maintenance issues.
- Using the CHILL grant funds, Mason County plans on assisting LMI households throughout the County to take care of home repairs.

Proposed Activities

- Home improvement projects can range from \$1,000 - \$40,000.
- All projects will take place in Mason County.
- All eligible activities for these funds will be allowed, including but not limited to interior and exterior improvements to meet code requirements, roof repair or replacement, siding, windows, plumbing, electrical, mechanical, and insulation.

Program Information

- Individual projects that are selected under the HIP will be allocated \$1,000 to \$40,000.
- Projects requiring CDBG assistance of \$10,000 or less will be offered as a grant with no requirement or expectation of repayment.
- CDBG assistance of \$10,001 or more shall be offered as a zero-interest loan, forgivable after five years and secured by a second mortgage.

Program Budget

ACTIVITY	# OF UNITS	FUNDING SOURCE	PROPOSED BUDGET
HIP	13	CDBG	410,000.00
ADMIN		CDBG	90,000.00
Other Sources		Mason County	50,000.00
TOTAL	13		550,000.00

Program Timeline

- Grant Application due February 12, 2023.
- March 1, 2024 → Grant Application Results Shared with Mason County.
- May 1, 2024 → Grant Agreement Executed.
- May 1, 2024 – August 16, 2025 → HIP Homes Selected (MSHDA must approve).
- July 15, 2024 – October 7, 2025 → Construction Period Starts.
- July 31, 2024 – October 21, 2025 → Final Inspections Completed.
- Final Reports and 100% Disbursement of Funds by October 31, 2025.

Q&A

At the conclusion of the presentation Commissioner Bacon inquired as to who/how is the determination made for eligibility to apply for this program. He was informed by the Administrator that through MSHDA there is a process for homeowners to apply for the program under the Housing Board of Review.

Commissioner Squires inquired about the high cost allocated to the administration fees and was informed by Deputy Administrator Szczyпка that this to make sure that all requirements are met, but that that dollar amount set is a not to exceed amount. Administrator Knizacky informed the Board that when the County had previously participated with a program similar to this, a third party administrator was hired for the procurement process due to the amount of work involved.

Commissioner Krieger inquired who would be the responsible party to hire this third party administrator and was informed by Administrator Knizacky that it would be the County Board. Commissioner Krieger also noted that he had heard that the City of Manistee had received this grant and wondered why this was not brought before the Board and was informed that Mason County would be in second round for this Grant application process.

Commissioner Hartley discussed/questioned the LMI levels and wanted to know what the procurement policy was and noted that after reading all of the presented information and law, that the administrative portion would entail lots of paperwork.

Commissioner Squires asked what types of housing units would this be applicable to be used on and was informed that manufactured, modular and trailers were not permitted, but all other types of housing structures were permissible.

Commissioner Krieger noted that this grant seemed similar to the Promise Zone Grant that the County had been awarded years ago and felt that there was no downside to making application for this grant. Commissioner Squires concurred.

Chair Andersen opened the floor to the public:

Joanne Arnold, Ludington, inquired as to who would be responsible for the construction phase of projects? She was informed by Administrator Knizacky that the providers selected would have a vigorous vetting process.

Sheila Genter, Hamlin, questioned if an application was approved for \$40,000.00 would the first \$10,000.00 be forgiven? She was informed by Administrator Knizacky that the initial application is considered a "loan" and should the homeowner stay in the home greater than 5 years, all would be forgiven. Should the homeowner decide to sell prior to the allowable time frame, the homeowner would be responsible to "pay back" the loan.

Joanne Arnold, inquired if year-round residents could apply as well and was informed yes.

Deputy Administrator Szczypka then presented a Material Management Plan via Power Point Presentation The Board was informed that they had three options: 1. Not do anything and State/EGLE would bill the County for all expenses; 2. County Create own Material Management Plan; 3. Participate in a Regional Plan and share costs/workload. Significant discussion ensued. The Board will have more information to review at future meetings.

Motion by Board Chair Andersen and seconded by Bacon to approve the following resolution:

HONORABLE COMMISSIONERS

WHEREAS, the Michigan State Housing Development Authority (MSHDA) has authorized distributing Community Development Block Grant (CDBG) funds for Homeowner Improvement Projects (HIP) through the CDBG Housing Improving Local Livability (CHILL) grant; and

WHEREAS, Mason County submitted a letter of intent and was accepted by MSHDA to formally apply for \$500,000 of CHILL grant funding with a local match of \$50,000; and

WHEREAS, Mason County is proposing a minimum of 13 HIP projects to be completed with CDBG funds and an additional 2 projects to be supported with the local match funds within the County for at least 51% of beneficiaries being low- and moderate-income (LMI) households; and

WHEREAS, the proposed HIP program is consistent with the 2020 Mason County Master Plan and MSHDA/CDBG requirements; and

WHEREAS, no project costs (CDBG and non-CDBG) will be incurred prior to a formal grant award, completion of the environmental review procedures and formal, written authorization to incur costs has been provided by a CDBG Project Manager; and

January 30, 2024

WHEREAS, MSHDA is requiring the County to designate an Authorized Official to assume responsibility of the grant application process, signing the grant agreement, oversight of grant activities, and signing of grant documents, pay requests, etc.

NOW THEREFORE BE IT RESOLVED, that the Board of Commissioners of the County of Mason approves the submission of the CHILL grant application for a request of \$500,000 in grant funds and a local match of \$50,000 for housing rehabilitation and program administration; and

BE IT FURTHER RESOLVED, that the Board of Commissioners of the County of Mason authorizes County Administrator Fabian L. Knizacky as the Authorized Official for the CHILL grant to sign the Application and all attachments, sign the Grant Agreement and all amendments, and sign Payment Requests.

Moved for your approval.

Motion carried (Signed) Andersen

Motion made by Krieger and seconded by Bacon to leave the public hearing and move back into regular session. Motion carried.

PUBLIC COMMENT: Joanne Arnold, Ludington, noted she was glad that she attended this meeting with regards to the Public Hearing and the CHILL grant, noting it was very informative.

ANY OTHER BUSINESS: Chair Andersen informed the Board that they needed to make a decision regarding whether or not to utilize County emails or personal emails for Commissioners. Discussion ensued regarding technicalities involved. Motion by Squires and seconded by Hartley to provide County emails for all commissioners. Motion carried.

There was no other business:

The meeting was adjourned at 8:18 PM.

CHERYL KELLY, COUNTY CLERK

JANET S. ANDERSEN, BOARD CHAIR