

Housing Commission Meeting Agenda

Wednesday, April 28, 2021 – 3:30 PM

VIA ZOOM: <https://us02web.zoom.us/j/85379788575>

Call: 312-626-6799 Meeting ID: 853 7978 8575

1. CALL MEETING TO ORDER

_____ A. Davenport (2/3)	_____ R. Little (3/3)	_____ N. DeBerry (1/3)
_____ M. Mast (2/3)	_____ L. Gleason (C) (3/3)	_____ S. Dechant (3/3)
_____ R. Patton (VC) (2/3)	_____ L. Soltow (1/3)	_____ K. Lanham (3/3)

Ex-Officio Members:

_____ D.Rich (0/3)	_____ J. Thomson (0/3)
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2. APPROVAL OF MINUTES – March 24, 2021

3. ANNOUNCEMENTS

4. WRITTEN REPORTS

- a. March 2021 Housing Dashboard

5. ORAL REPORTS

- a. Featured Neighborhood Report (*Stewart*)
- b. Hutchinson Land Bank (*Hvitløk*)
- c. Update on CDBG Grant for Creekside (*Hvitløk*)
- d. Update on COVID and Housing (*Hvitløk*)

6. NEW BUSINESS

- a. Discussion of Code Enforcement and Introduction of Code Compliance Inspector
- b. Zero Interest Loan Request

7. OPEN COMMENTS

8. OTHER

- a. The next Housing Commission meeting is scheduled for May 26 at 3:30pm

9. ADJOURN



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1. ROLL CALL

The Housing Commission meeting was called to order at 3:30 p.m. with the following members calling in via Zoom conference call: Roy Little, Steve Dechant, Marvin Mast, Kelly Anne Lanham, Ryan Patton, Jeff Thomson, and Lisa Gleason. Lucas Soltow, Angie Davenport, Nathan DeBerry and Dan Rich were absent. Julia Westfahl, SCKEDD, was also in attendance. Staff present were Ryan Hvitlæk, Director of Planning and Development; and Charlene Mosier, Planning Technician, and Izzy Rivera, Building Official.

2. APPROVAL OF MINUTES

The minutes of the February 24, 2021 meeting were approved with one change on a motion by Dechant, seconded by Mast, passed unanimously.

3. ANNOUNCEMENTS

a. None.

4. WRITTEN REPORTS

a. **February 2021 Housing Dashboard**

Hvitlæk reviewed the Housing Dashboard for February. There were 28 property maintenance investigations, 3 property maintenance violations, 11 rental investigations, and 16 rental violations. There was 1 new residential permit, 22 residential alterations and 4 house demolitions. There were no new housing program applications.

5. ORAL REPORTS

a. **Featured Neighborhood Report**

Stewart was not in attendance to give a report. Hvitlæk said there may be public meetings with SW Bricktown regarding a possible grant for the Woodie Seat overpass and how that may affect the neighborhood.

b. **Hutchinson Land Bank**

Hvitlæk said the Land Bank continues to work with the buyer of the Harvey Street property. There is a vacant property on North Plum that the Land Bank will consider as a donation.

c. **Update on CDBG Grant for Creekside**

Hvitlæk reported contractors are continuing to work with homeowners and there should be more updates next month.

d. **Update on COVID and Housing**

Hvitlæk said unemployment numbers have dipped with covid counts going down. Westfahl said KERA, (Kansas Emergency Rental Assistance) has begun taking applications and the software is not as user friendly as past grant applications. The process takes up to an hour and a half to fill out the application with the tenants and landlord. She has talked to the Landlords Association and has staff in her office to help walk-ins who need assistance filling out the application which must be completed on a computer, not a tablet or smart phone. Up to 15 months of assistance

is possible with this grant and three months of utility service. There are numerous requirements to be followed. There have also been commercials advertising this program. The Library may be willing to work with applicants to allow them use of library computers. Gleason said United Way funds are now depleted for covid assistance.

6. OLD BUSINESS

a. Approval of 2021-2023 Housing Action Plan

Hvitlæk reviewed the proposed outline for the 2021-2023 Housing Action Plan to guide the work of the Commission over the next three years. He said promoting ongoing IPMC compliance was added to the list.

- Create a standing Code Enforcement Committee for complex compliance cases so one letter is sent rather than multiple letters to the property owner.
- Complete the 2020 CDBG Housing Rehab grant and apply for another in 2022.
- Conduct a public education campaign on Land Contracts and support state legislation to regulate.
- Review existing housing programs for effectiveness.
- Conduct a housing conditions study in the City's Featured Neighborhoods.
- Enact Aging-in-Place Committee recommendations.
- Enact a neighborhood walking program with City staff and the Neighborhood Coordinator to observe issues and concerns in neighborhoods.
- Create a Developer's Roundtable.
- Revise Housing Program brochures.
- Promote the NRP program.
- Advocate for dedicated funding through sales tax renewal in 2024.
- Work with Land Bank to acquire construction plans for affordable homes that would fit on infill lots.
- Promote active and ongoing IPMC compliance.

Dechant suggested the Housing Commission become proactively involved in walking tours and driving through neighborhoods as a group or individually to assess the condition of housing in each neighborhood according to IPMC. This would be a way to see if improvements are noticeable and if current programs are producing results. He noted this includes more than just attending a monthly meeting. The Housing Commission took a group tour about five years ago during a regular meeting and it may be a good time to do this again. Mast said when he sees a property that is a blight to the neighborhood he reports it to the city to get it corrected.

Motion by Dechant, seconded by Mast to approve the 2021-2023 Housing Action Plan as stated, passed unanimously.

The City Council will review the 2021-2023 Housing Action Plan April 6 at 9:00 a.m.

HOUSING COMMISSION MINUTES
Meeting of Wednesday, March 24, 2021

7. OPEN COMMENTS

- a. Westfahl said there was training for staff to help with applications for the FHLB grant. There are currently 36 people on the waiting list.

- b. Rivera encouraged citizens to call in any concerns on properties for the Inspection Department to check.

8. OTHER

- a. The next Housing Commission meeting is scheduled for April 28 at 3:30 p.m. Patton will need to lead that meeting in the absence of Gleason that day.

10. ADJOURNMENT – The meeting adjourned at 4:09 p.m.

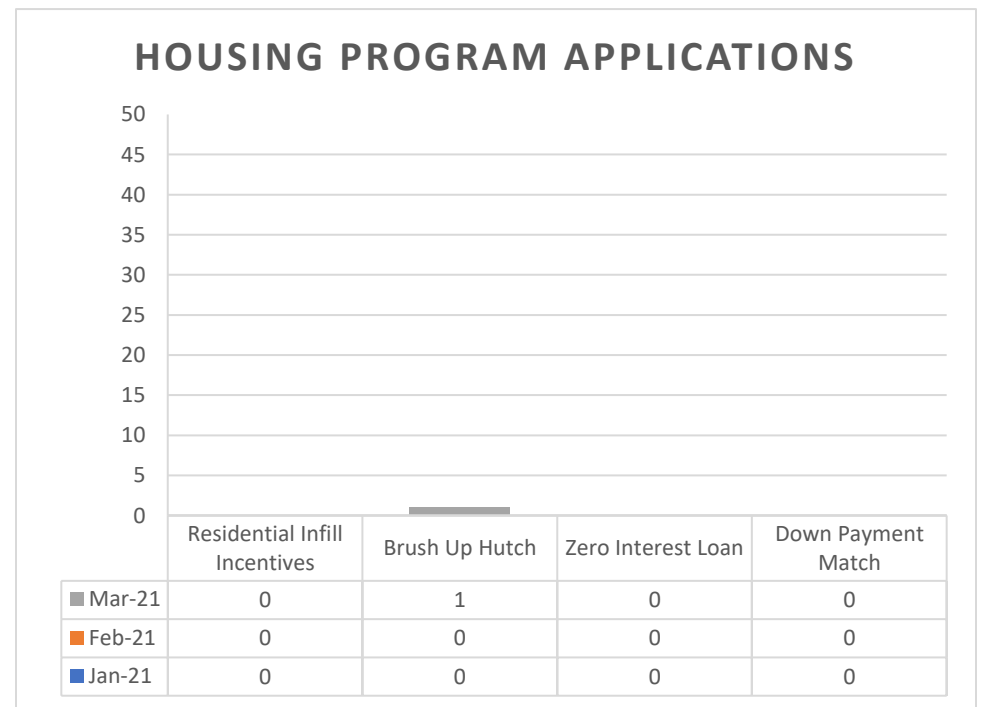
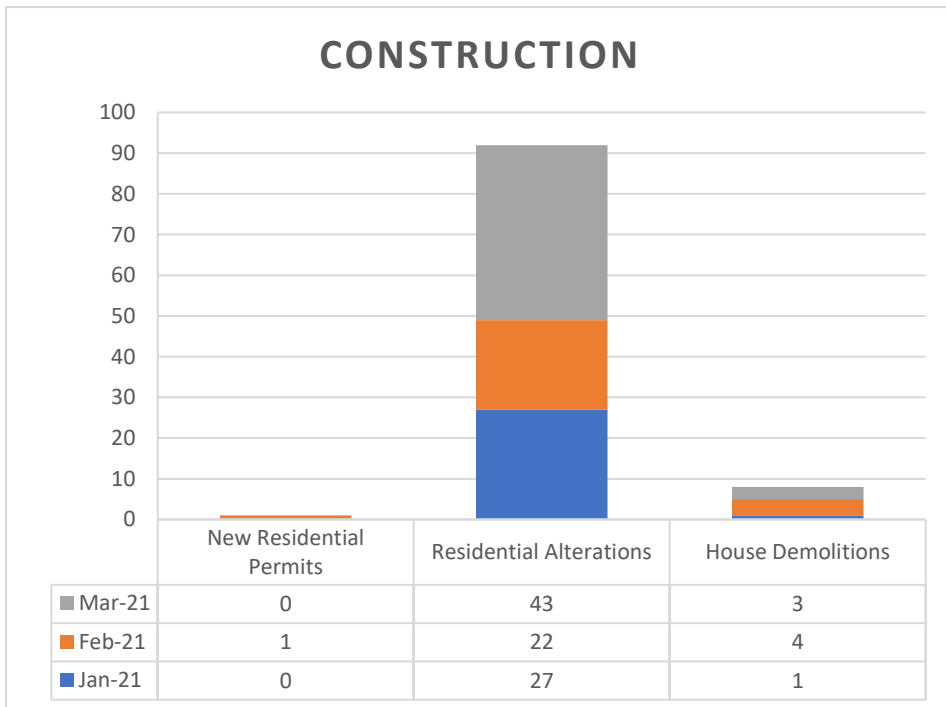
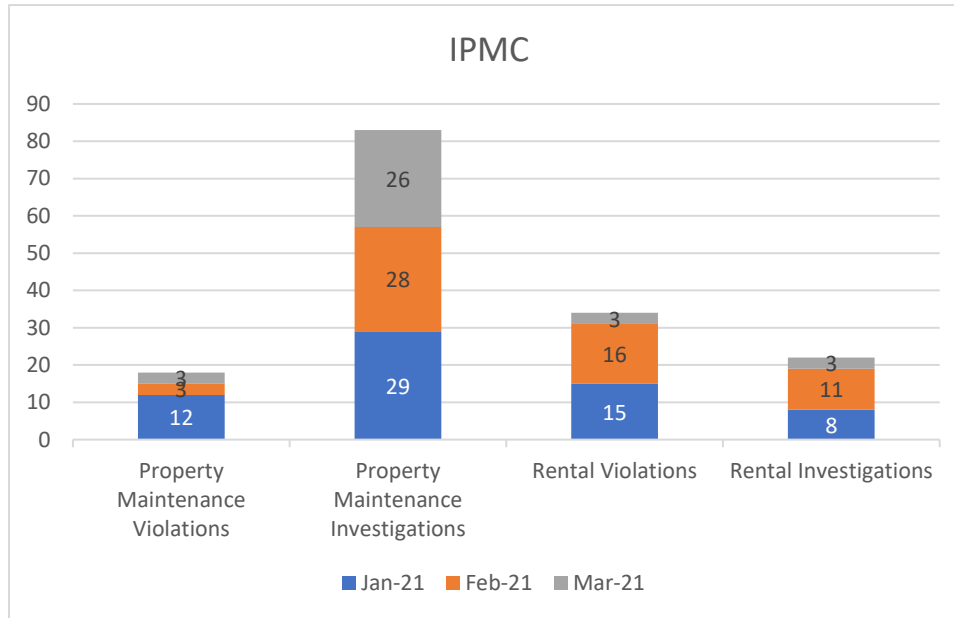
Respectfully Submitted,
Charlene Mosier, Planning Technician

Approved this _____ day of _____, 2021.

Secretary

MARCH 2021 HOUSING DASHBOARD

PREPARED: April 21, 2021





Housing Commission Staff Report

MEETING DATE: 04/28/2021

April 21, 2021

TO: Hutchinson Housing Commission

FROM: Ryan Hvitlæk, AICP, Director of Planning & Development

SUBJECT: Zero-Interest Home Repair Loan Application Request – 225 E 14th Ave.

STAFF RECOMMENDATION:

Staff recommends **approval** of this request if at least seventy percent of the loan is used for projects included in the Zero-Interest Home Repair Loan Program Policy

MOTION:

Motion to (approval / approval with modifications / denial) to approve.

BACKGROUND:

In the 2017 budget, City Council allocated \$70,000 for Housing Initiatives. In response, the Housing Commission created two new pilot programs: Down Payment Match Incentive and Zero-Interest Home Repair Loan program. The Zero Interest Home Repair Loan program was approved for projects that improve the marketability of the home.

Michele McCartney, 225 E 14th Avenue, contacted the staff regarding the loan program to finance the replacement of a sewer line as well as a kitchen and bathroom remodel. The sewer line replacement is not on the administrative approval list and would require Housing Commission approval.

ANALYSIS:

Ms. McCartney has stated the sewer line replacement would be approximately \$6,500.00 and she is providing \$2,000.00 of her own funds for the work. She has also stated she would like to a bathroom and kitchen remodel to the home. The Zero-Interest Home Repair Loan Program has \$4,593.47 remaining in the balance. A maximum \$15,000.00 loan would result in a payment of \$2,239.34 from the program balance.

RECOMMENDATION:

Staff recommends that no more than 30% of the loan amount can go towards the sewer line replacement.

ATTACHMENTS:

EXHIBIT 1: Zero-Interest Home Repair Loan Program Policy Sheet

Zero-Interest Home Repair Loan Program

Purpose.

In order to create competitive housing in the City's feature neighborhoods, the Housing Commission hereby establishes the Zero-Interest Loan Pilot Program to promote home rehabilitation and marketability in Hutchinson. The incentive shall be available for projects that improve the marketability of the house to compete in the modern housing market.

Project Eligibility.

Home repair projects that meet the intent of the program are listed as follows:

Interior

- Kitchen remodel, including appliance update
- Flooring replacement
- Bathroom remodel
- Addition of bedrooms or bathrooms
- Interior floor plan alterations (example: expanding kitchen)

Exterior

- Total rehabilitation of exterior (siding, windows and roof)
- Sidewalks: New and Replacement

Other projects may be approved on a case-by-case basis.

Timing.

Applicants can apply for the Zero-Interest Loan Pilot Program beginning January 2018 and concluding once program funds have been expended. Peoples Bank and Trust will be the loan holder for all Zero-Interest Home Repair Loans, all applicants must apply through them. Once the applicant is eligible for the home repair loan, the City will review the application for final approval. Peoples Bank and Trust will draft the interest amount for each loan from the established City of Hutchinson bank account.

Program Provisions.

1. Eligible properties must be located within the boundaries of Hutchinson Healthy Neighborhood feature neighborhoods.
2. Awardees must submit an application and be approved based upon the program standards in order to be eligible.
3. Awards shall be granted on a first-come, first-serve basis, dependent upon the amount of unallocated funds remaining in the Zero-Interest Loan bank account.
4. Peoples Bank and Trust will pre-qualify the dollar amount for each loan, after which the borrower may proceed to obtain a contractor bid for remodel.
5. Once the project has been approved and construction completed, including final inspections and approval, Peoples Bank will render payment to the contractor.
6. Peoples Bank will collect the monthly payments, obtaining the monthly principle payment from the borrower and the interest payment from the Zero-Interest Loan bank account.
7. Peoples Bank will file a mortgage on the property as security for the loan.

8. In the event the borrower fails to make payment, including partial payment, when payment is due or violates any other provisions of the loan, automatic drafts from the Zero-Interest Loan account will cease and Peoples Bank will begin collection and foreclosure action at their discretion.
9. Upon payment in full, Peoples Bank and Trust will release the mortgage on the property.
10. All projects must comply with City regulations and building permit requirements.
11. All projects located in the Houston Whiteside National Historic District must comply with the Secretary of the Interior's Standards for Rehabilitation.

Program Criteria.

Please see Exhibit A, Peoples Bank and Trust Program Outline.

Payment.

A Zero-Interest Loan bank account will be established at Peoples Bank and Trust in the amount of \$35,000.00. Upon any scheduled payment for each loan under the program, Peoples Bank and Trust will draft the monthly interest amount from the account.

Reporting.

Peoples Bank and Trust will provide the City of Hutchinson with a quarterly report detailing funding disbursed under the program.