



**COLUMBIA COUNTY
SOUTHERN HOUSING REGION COMMITTEE MINUTES
NOVEMBER 7, 2014**

PRESENT: John Tramburg, Dean Perlick, Ben Wehmeier, Andrew Struck, Kathy Schauf and Kevin Brunner

ALSO PRESENT: Lois Schepp, Kari Justmann, Diane McGinnis, Randy Terronez, Chris Parisey and John Meland

The meeting was called to order at 1:33 p.m. and was properly noticed and published.

AGENDA

MOTION: On motion by Wehmeier, second by Brunner, the agenda was approved.

MINUTES

MOTION: On motion by Schauf, second by Wehmeier, the minutes of the August 8, 2014 Southern Housing Region Committee meeting were approved.

PROGRAM STATUS UPDATE

Kari Justmann provided an update on each county regarding eligible projects and available funds remaining.

UPDATE ON NEW FUNDING AND POLICIES

Kari Justmann provided an update from the Department of Administration stating approximately \$11.9 million has been awarded for the second phase of the contract. The Southern Housing Region received an additional \$2,138,776, which is approximately \$185,980 per county.

Diane McGinnis from the Department of Administration provided an update on the status of the new funding. Each region received a \$1,000,000 base award and then the same formula was used to determine the remaining funds awarded to each region. All seven regions have signed the amendment at this time. The Department of Administration is working with each region to update the contract timeline. A draft contract amendment should be sent to each region by the end of the year.

Diane also stated the Department of Administration has started discussing the 2014 budget. It has not been determined if each county will need to pass another resolution to apply for the 2014 funding. The Department of Administration is expecting a similar allocation for 2014 and they will also factor in any unused funds at that time.

In addition, Diane stated there will be some policy updates coming from the Department of Administration in the near future. The Department of Administration is trying to remove barriers in getting funds awarded. These changes will be sent out as bulletins to all regions once approved by the Department of Administration.

DISCUSS ADDITIONAL OUTREACH

Justmann requested that each county continue to provide outreach information for the program. The following outreach was recommended:

- Local newsletters
- County departments
- Health departments
- Tax bills / utility bills
- Local shoppers

Justmann will send a sample of outreach that can be included in the tax bills, newsletters and shoppers.

CREATE EXECUTIVE COMMITTEE

Justmann requested an executive committee be created to hear appeals. It was proposed to have John Tramburg (lead county representative), Lois Schepp (lead county non-voting representative), Kari Justmann (administrator) and the county representative from the county requesting the appeal as members. The appeals can be reviewed by phone or video conference.

There was discussion on the name of the committee and it will be called the Appeals Committee instead of the Executive Committee. The appeal process to be included in the applications and other outreach materials will be as follows:

- The Appeal Committee
- The full Housing Committee
- The Department of Administration

Justmann will update all outreach materials with the new appeal process.

MOTION: On motion by Schauf, second by Wehmeier, the Appeal Committee and process were approved.

DISCUSS POLICY AND PROCEDURES

- After rehab value calculations. In an effort to be consistent throughout all regions, the Department of Administration is recommending to use 120% of the after rehab value of the project when determining the equity available.

This calculation is made by adding 30% of the total amount for the work being done to the fair market (or appraised value) and then using 120% of that value for the after rehab value. According to the example below, there would be \$11,520 in available equity after the work is complete.

Example:

Current Fair Market Value (FMV)	\$60,000	
Current Mortgage	\$40,000	
Rehabilitation Cost	\$32,000	
Estimated After-Rehab Value	\$69,600	= Current FMV (\$60,000) + 30% of rehab cost (\$32,000 * 30% = \$9,600)
Estimated After-Rehab Value at 120% of FMV	\$83,520	= Estimated After-Rehab Value (\$69,600) multiplied by 120%
Equity Available After Rehab after CDBG Loan	\$11,520	= 120% of after rehab value (\$83,520) minus current mortgage (\$40,000) minus estimate for work (\$32,000)

Justmann will recalculate all projects that were previously over equity with the updated calculations to see if the applicant will now qualify.

MOTION: On motion by Schauf, second by Wehmeier, the revised after rehab value calculations were approved.

- Distribution of new funding. The committee discussed dividing the new funding equally among all 10 counties, which is approximately \$185,980 per county. If the funds are not all obligated by June 30, 2015, the remaining funds will be reallocated to the "regional" fund.

MOTION: On motion by Brunner, second by Wehmeier, the proposed allocation of the new funding was approved.

PROPOSED FUTURE AGENDA ITEMS

- Additional outreach

NEXT MEETING

The next meeting will be in March 2015 in Jefferson at the UW Extension/Workforce Development Center. Justmann will contact RoxAnne Witte to discuss available dates. A public hearing will also be held at that time to provide an update on the status of the program.

ADJOURNMENT

MOTION: On motion by Wehmeier, second by Schauf, the meeting was adjourned at 2:10 p.m.

Respectfully Submitted:

Kari Justmann, Secretary

cc: Southern Housing Region Committee
Lois Schepp
Internet

DRAFT