Members in Attendance:
Trustee Cath Howard (Augusta Township); Trustee Christine Green (Scio Township); Craig Lyon (Pittsfield Township); Councilperson Elizabeth Nelson (City of Ann Arbor); Supervisor Harley Rider (Dexter Township); Joe Meyers (City of Ypsilanti); Clerk Karen Lovejoy Roe (Ypsilanti Township); Supervisor Ken Schwartz (Superior Township); Councilperson Linda Terhaar (City of Saline); Supervisor Marlene Chockley (Northfield Township); Supervisor Michael Moran (Ann Arbor Township); Michelle Aniol (City of Dexter);

Communities Absent: Bridgewater Township; Lima Township; Manchester Township; Salem Township; Saline Township; Sylvan Township; Webster Township; York Township

OCED Staff Present:  Mirada Jenkins; Tara Cohen

Guests: Chris Brown (Habitat for Humanity of Huron Valley)

Facilitator: Commissioner Jason Morgan (UCEC Chairperson)

Meeting called to order: 2:10 PM

I. Public Comment – Chris Brown from Habitat for Humanity expressed his organization’s support for the letter in the meeting packet from Pam Kisch/Fair Housing Center regarding HUD’s Disparate Impact proposed rule. Mr. Brown shared that he has seen the potential ramifications of this proposed rule firsthand with his clients, for example when a client was dealing with a landlord trying to impose the “two heartbeats per room” rule.

II. Announcements
A. Introductions – No introductions were needed today.

III. Minutes
A. 7-10-19 Meeting Minutes – Review & Approval (ACTION)
B. 9-26-19 Special Meeting Minutes - Review & Approval (ACTION)

Tara Cohen explained that the 9-26-19 minutes had not been included in the original meeting packet, and asked the group to take a minute to review them before approving.

Moved by Schwartz to approve both sets of draft minutes. Support by Meyers. Motion passed.
IV. General Administration

A. Policy & Procedures for CDBG Allocations to Local Units (ACTION)

Tara Cohen read through the whole list of policy items as included in the agenda summary, opening the floor for questions and discussion.

One member asked whether even the smaller communities with relatively small local allocations would have only 2 years (from the point of environmental clearance) to reach substantial completion on a project. Tara confirmed that the policy would apply to all communities in the Urban County.

Another member asked how the policy would work when using CDBG allocation funds toward planning/engineering costs. Tara and Mirada explained that the planning could be done in the first year, and the construction would need to be completed in year two under the proposed policy. Mirada also clarified that if a planning grant does not result in a construction project, the community would be required to pay back the planning grant. It was requested that this point be added to the written policy.

Meyers made a motion to approve the Policy and Procedures for CDBG Allocations to Local Units, with the addition regarding the requirement to pay back a planning grant that does not result in a construction project.
Support by Aniol.
Motion passed.

B. Ad Hoc Subcommittee on CDBG Set-Asides (DISCUSSION / POSSIBLE ACTION)

Tara gave a recap of the work done to date by the 4-member subcommittee that is looking at options for CDBG set-asides. She re-read the 3 relevant motions that were passed at the June 5, 2019 UCEC meeting, to provide context for this discussion and the subcommittee work. Tara continued to share that a few members of the subcommittee have raised concerns about rushing the process of making a recommendation to the full UCEC and had not understood the June 5th action to mean that a process must be in place for the upcoming 2020 Action Planning cycle. Tara explained that she felt it appropriate to bring the question of timing back to the full UCEC today for discussion and action if deemed necessary, in part due to the concerns raised at the last meeting by Joe Meyers regarding a grant application his office is preparing to fund a train platform project.

Tara also shared some items that came up in the subcommittee – 1) the allocation formula from HUD, explaining that this is the same formula that OCED utilizes to determine each local units’ annual allocation. 2) how much a CDBG set-aside potentially decreases each local unit’s regular allocation – specifically noting that the 2019 priority project fund awards that equated to 7% of the total CDBG allocation for Washtenaw County resulted in an effective reduction of 16.4% for each community’s regular CDBG allocation for local projects.
A conversation ensued, with an emphasis on the subject of Ypsilanti’s grant application for a train platform. Howard asked Meyers if he had communicated to the UCEC previously about the train platform at the time they were taking a vote on whether to continue or eliminate the priority project process. Meyers stated that he had mentioned they had projects in mind for the funding, but he did not go into details about the train platform being one of the projects the City was considering. He explained that the City needs specific funding partners to write into the grant in order to qualify for the federal grant, and there is no other County funding source other than Urban County (CDBG) where they could obtain a grant of approximately $125,000, which is how much they would be requesting from CDBG set-aside funding, if it is made available. The group inquired about Ypsilanti’s regular CDBG allocation, and Meyers stated that the majority of their allocation each year is put toward ADA curb cuts to address a consent decree.

Moran asked Meyers for clarification – is the train platform project something he is trying to categorize or shape as a broader/regional project to qualify for set-aside CDBG funds, OR is it more that he is concerned about the approximate 16% decrease to their local allocation if there is a set-aside? Meyers clarified that the 16% decrease would not make a big difference either way, since Ypsilanti’s regular allocation is only around $60,000. His concern is whether a set-aside process will be in place for the upcoming funding cycle, so that he can include this potential funding source in the (US Department of Transportation’s Consolidated Rail Infrastructure and Safety Improvements (CRISI)) grant application due in a few weeks.

Howard shared that she might have voted differently back in June if she had known that Ypsilanti was planning to pursue funding for the train platform – the project, which members noted, was remembered as being the original impetus for the UCEC in creating a CDBG “priority project” set-aside to support projects considered to be regional in nature.

A question was asked about the group’s ability to rescind a prior motion, i.e. to put the former priority project process back in place for the 2020 Action Plan cycle, even though it was eliminated at the June 5th meeting. Tara stated that she was not aware of rules that would preclude such an action.

Discussion continued about some ideas under current consideration by the subcommittee, and Tara and subcommittee members shared that they have been trying to be mindful of equity with respect to the smaller communities in the Urban County who receive modest allocations that can be challenging to utilize due to the dollar amount, as well as the difficulty to qualify projects under Low-Mod Area Benefit due to rural demography and lack of sufficient clustering to demonstrate 51% or more LMI without needing to undertake a household survey.

Moran expressed strong disagreement with a comment made by Howard regarding the need to make any future CDBG set-aside process more equitable, stating his view that the will of the full Committee was to do away with the set-asides. Moran also shared that he
was not comfortable with the group taking action on something that was not included in the meeting agenda ahead of time.

Cohen explained that by indicating this agenda item as “Discussion and Possible Action,” she was trying to avoid being prescriptive so as to defer to the will of this Committee, adding that she had expected that the group might take a vote on the timing by which the subcommittee should bring forth their recommendation.

Green recalled that no one was comfortable with the prior process in place, and expressed that a new process needs to be in place before making a decision about a particular project such as the one Meyers has brought forward.

*Lovejoy Roe moved that the UCEC rescind the June 5, 2019 decision to eliminate the current priority project process for the 2020-21 funding cycle.*

Members reacted to the motion on the table. Someone suggested that a caveat be added that IF the subcommittee presents an alternative process for set-asides at the November 6th UCEC meeting, and the UCEC approves that new process, it would then override the old process.

*Meyers expressed support for the motion on the table.*

Green commented that this action makes her very nervous, to shift a process based on a single community, noting that she feels the group needs a clear process to then vet each individual projet based on a specific process and set of criteria.

Tara was asked to recap the motion on the table, as follows: *Lovejoy Roe made a motion to (1) rescind the June 5, 2019 decision to eliminate the current process for priority projects for the 2020-21 funding cycle, and; (2) if the Subcommittee presents a new set-aside process that the UCEC approves on November 6, 2019, the new approved process would then supercede the previous priority project process.*

Given clear lack of unanimity, Commissioner Morgan asked for a roll call vote:

Green – No
Aniol – No
Chockley – Yes
Howard – Yes
Lovejoy Roe - Yes
Nelson – Yes
Moran – No
Lyon – Yes
Schwartz – Yes
Terhaar – Yes
Rider – No
Meyers - Yes
Motion passed with 8 in favor, 4 opposed.

C. Cancelation of December 4th UCEC Meeting (ACTION)

Motion made by Chockley. Support from Green. Motion passed.

D. General Updates

1) CDBG annual award and allocation letters to local units – Tara noted that these letters are delayed but can be expected shortly.

2) HUD Disparate Impact Rule – Tara brought the group’s attention to the letter in the meeting packet from Fair Housing Center, clarifying that Pam Kisch had not submitted this letter for the UCEC’s meeting, but rather Tara decided to share it to provide more context and details about HUD’s proposed rule. She encouraged anyone who was interested to submit public comment as individuals, local units of government, or together as an Urban County. Mirada explained that Washtenaw Housing Alliance is the County’s advocacy organization, and it would not be appropriate for OCED to take the lead on submitting public comment on behalf of the UCEC.

3) Local Projects – As the meeting was nearing an end, Tara referred the group to the meeting packet for details on all the public infrastructure/facilities and affordable housing projects currently underway.

4) Community Announcements – Lovejoy Roe thanked Tara for her work.

V. Adjournment

Lovejoy Roe moved to adjourn. Support from Green. Motion approved.

Adjourned: 3:23 PM.

Next Meeting: Wed., November 6, 2019, 2:00 – 3:30pm, Washtenaw County LRC, Michigan Room