

REDEVELOPMENT COMMISSION MEETING

April 22, 2013

The regular meeting of the City of Mishawaka Redevelopment Commission was called to order at 5:30 p.m., Monday, April 22, 2013, in Room 205, City Hall, 600 East Third Street, Mishawaka, Indiana. Commissioners Eberhart, O'Dell, Ermeti, Pingel, and Stillson were present. Commissioner Buraczewski was absent. In addition to members of the public, the following were also in attendance: David Thomas, Community Development Director; John Gourley, Legal Counsel; Ken Prince, City Planner, and Kari Myers, Administrative Planner.

Commissioner O'Dell moved to approve the minutes of March 25, 2013, meeting as circulated. Commissioner Ermeti seconded; motion carried.

First Time Homebuyer Applications

Mr. Thomas presented a First Time Homebuyer Applicant. He said it is a household of one and that person is employed full time by New Balance at Heritage Square in Granger in retail sales and has an annual income (including overtime and commissions) of \$30,300.00. The household has an AMI of 67.6%. Commissioner O'Dell moved to approve the applicant. Commissioner Ermeti seconded; motion carried.

First Time Homebuyer Update

Mr. Thomas said two folks are ready to close on their houses within the next 3 weeks. The houses are 99.9% complete. He said there was some damage at the house on Milburn due to the attempted theft of an AC unit. Builds at 513 E. Broadway and 422 E. Grove will begin soon.

Summer of Service Applicant

Mr. Thomas presented a Summer of Service Applicant for consideration. He said this applicant was referred to Redevelopment by Code Enforcement due to peeling paint and a need for other exterior repairs. He said it's a family of one, employed at Meijer since March of this year and also works as a private caregiver. The annual income is \$20,590.00 or an AMI of 50.38%. Commissioner Ermeti moved to approve the applicant. Commissioner O'Dell seconded; motion carried.

Summer of Service Update

Mr. Thomas said he has three more families to approve for the program. Also, student weekend is Father's Day weekend. Paul Baldwin wants to do another mural project similar to last year's. Mr. Thomas said he is open to suggestions as to where it should be. He said one thing that concerns him is the upkeep of the mural over time.

Anything Else Brought Before the Commission

Mr. Thomas said the occupant of 717 W. 7th Street, one of our self-sufficiency homes, will be moving to Florida soon to pursue being a chef. He said the man has been current on payments and has paid generally on time but said he can't find gainful employment in the area.

Mr. Thomas said with the self-sufficiency program, you are required to get a mortgage to purchase the home after the 12th or 24th month. He said we can list again as a rental for lease to own or sell it outright. Mr. Thomas said we are not a leasing company and there's a lot of upkeep on the homes and said Roger has been over to the houses more than a few times to fix things.

Commissioner Eberhart asked if we can put a stipulation on it that it must be owner occupied and meet certain income requirements. Mr. Thomas said they must qualify same as our first time homebuyer applicants.

Commissioner Stillson asked what the purchase price would be. Mr. Thomas said he isn't sure, it would need to be appraised, but perhaps mid \$80's based on other properties in the neighborhood have sold for.

Commissioner Ermeti asked how long the person has occupied the house. Mr. Thomas said 2 years. The house is in good condition and anything that was in the house when originally turned over must stay.

Mr. Thomas said that under NSP requirements, any applicant must meet income requirements and the best way to market the house is to use a real estate agent that understands our income qualifications and will go thru that process with applicants.

Mr. Thomas said income requirements for first time homebuyers must be between 65 and 80 AMI because that's all you are allowed to exceed per HOME rules. With NSP funds, you can go up to 120% AMI. He said with the houses we are starting to build, we're using only NSP funds. Mr. Thomas said there's a cap, but not a base starting point like HOME's 65%. He asked if that changed, would the Commission need to approve as a Resolution and how formal of an agreement must that be.

Mr. Prince said there was a formal application and we need to check to see if our NSP grant was approved with 80% cap.

Commissioner Ermeti asked if someone with a lower AMI has more of a challenge getting a mortgage. Mr. Thomas said yes and no.

Commissioner Stillson asked why you would want to change it. He didn't think we would have anyone who could qualify that low.

Commissioner O'Dell said there's a house for sale on Mishawaka Avenue and he believes it's one of our first time homebuyer homes and wondered if we were involved. Mr. Thomas said we would be if they haven't occupied the home for the required length of the agreement which is 15 years. We are a lien holder.

Next Meeting

The next regularly scheduled meeting will be held xxx at 6:30 p.m.

The meeting was adjourned at 5:50 p.m.

Respectfully submitted:

Kari Myers, Administrative Planner

M. Gilbert Eberhart, President

David Thomas, Community Development Director