

## **An Ordinance to Establish the Kent County Housing Commission for the County of Kent, Michigan**

An ordinance to establish a housing commission with such purposes and powers to authorize the purchase, acquisition, construction, maintenance, operation, improvement, extension, and repair of housing facilities and to eliminate housing conditions which are detrimental to the public peace, health, safety, and/or welfare. To prescribe the powers and duties of such commission to enable the county to authorize issuance of notes and revenue bonds; to regulate the issuance, sale, retirement and refunding of such notes and bonds. To regulate the rentals of such housing projects and the use of the revenues of the projects; to prescribe the manner of selecting tenants for such projects; to provide for condemnation of private property for such projects; to confer certain powers in relation to such projects, including the power to receive aid and cooperation of the federal government; and for other purposes.

THE COUNTY OF KENT ORDAINS:

### **Section 1. Creation.**

Pursuant to Public Act 18 of the Extra Session of 1933, as amended, being Compiled Laws 125.651 et seq., there is hereby created in and for the County of Kent, Michigan a commission to be known as the Kent County Housing Commission.

### **Section 2. Membership; appointment of members; term of office; compensation; vacancies in office.**

The Housing Commission shall consist of five members to be appointed by the Chairperson of the County Board of Commissioners. The term of office of members of the Housing Commission shall be five years. Members of the first Housing Commission existing under this ordinance shall be appointed for the terms of one year, two years, three years, four years and five years, respectively, and annually thereafter one member shall be appointed for the term of five years. Members of the Housing Commission shall serve without compensation, except for those actual expenses incurred in serving as a member of the Housing Commission. No member of the Housing Commission shall have any interest directly or indirectly in any contract for property, material, or service to be acquired by the Housing Commission. Members may be removed from their office by the Chairperson of the County Board of Commissioners for cause with the consent of the County Board of Commissioners. Any vacancy on the Housing Commission shall be filled by the Chairperson for the remainder of the unexpired term.

### **Section 3. Meetings, rules of procedure, records, quorum, officers.**

The Housing Commission shall meet at regular intervals. All meetings shall be open to the public and held in accordance with the Open Meetings Act, as amended, 1967 PA 267. The Housing Commission shall adopt its own rules of procedure. All rules shall be posted in a conspicuous place in each facility owned or operated by the Housing Commission. The Housing Commission shall keep a record of all proceedings. Three

members shall constitute a quorum for the transaction of business. The Housing Commission shall elect a president, vice-president, and secretary.

**Section 4. Officers and employees.**

The Housing Commission may appoint an Executive Director, who may also serve as secretary to the Housing Commission, and in accordance with the provisions approved by the County Board of Commissioners, such other employees as the Housing Commission may deem it necessary. The Housing Commission shall prescribe the duties of all its officers and employees. The Executive Director and employees of the Housing Commission shall be county employees and shall be compensated as county employees. To the extent an employee is classified as non-supervisory, non-MPP, he or she shall be accreted to the UAW bargaining unity. No officers or employees of the Housing Commission shall have any interest directly or indirectly in any contract for property, material, or service to be acquired by the Housing Commission. The Housing Commission may employ engineers, architects, consultants and legal counsel when necessary.<sup>1</sup>

**Section 5. Powers and duties generally.**

The Kent County Housing Commission shall have, in addition to those powers and duties set forth below and elsewhere in this ordinance, all the powers and duties vested or permitted to be vested in Housing Commissions by Public Act 18 of the Extra Session of 1933, as amended and any other laws enacted which are supplemental thereto. It is the intention of this ordinance to vest in the Kent County Housing Commission all powers and duties permitted or required by law. The Housing Commission shall have the following specifically enumerated powers and duties:

- (a) To determine in what unincorporated areas of the county it is necessary to provide proper sanitary housing facilities for families of low income and for the elimination of housing conditions which are detrimental to the public peace, health, safety or welfare.
  
- (b) To purchase, lease, sell, exchange, transfer, assign and mortgage any property, real or personal, or any interest therein, or acquire the same by gift, bequest or under the power of eminent domain; to own, hold, clear and improve property; to engage in or to contract for the design and construction, reconstruction, alteration, improvement, extension or repair of any housing project or part thereof; to lease or operate any housing project.
  
- (c) To control and supervise all parks and playgrounds forming a part of such housing development, but may contract with existing departments or commissions of the county for operation of maintenance of either or both.
  
- (d) To establish and revise rents of any housing project, but shall rent all property for such sums as will make them self-supporting, including all charges for maintenance and operation, for principal and interest on loans and bonds and for taxes.

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<sup>1</sup> Section 4 amended on 2/26/04 by Resolution No. 2-26-04-19

- (e) To rent only to such tenants as are unable to pay for more expensive housing accommodations.
- (f) To call upon other departments for assistance in performance of its duties, but such departments shall be reimbursed for any added expense incurred therefor.
- (g) It shall have such other powers relating to such housing facilities projects as may be prescribed by ordinance or resolution of the County Board of Commissioners, or as may be necessary to carry out the purposes of this ordinance.
- (h) Within an incorporated area of the county shall have such functions, rights, powers, duties and liabilities as may be provided by contractual agreement between the County Board of Commissioners and the municipal board of such incorporated area.
- (i) The Housing Commission may borrow money, issue revenue bonds, accept grants and other financial assistance from any state or federal agency for the purposes of defraying the costs of purchasing, acquiring, constructing, improving, enlarging, or repairing any housing project or combined projects, in accordance with the provisions of Public Act 18 of the Extra Session of 1933, other laws of this state, and federal law and regulation.
- (j) The Housing Commission may join, cooperate, or contract with other housing commissions, public housing authorities, or other local, county, state, or federal agencies in the provision of housing services, operations or projects and for purposes of financing or securing Housing Commission activities, as the Housing Commission deems advisable.

**Section 6. Operating funds.**

Funds for the operation of the Housing Commission may be provided by the County Board of Commissioners, but the Housing Commission shall, as soon as possible, reimburse the county for all money expended by it for the Housing Commission from revenues received.

**Section 7. Reports; records; and accounts.**

- (a) The Housing Commission shall make an annual report of its activities to the County Board of Commissioners and shall make such other reports as the County Board of Commissioners may from time to time require.
- (b) The Housing Commission shall install, maintain and keep proper books of record and account, separate entirely from other records and accounts of the county, in which full and accurate entries shall be made of all dealings or transactions of, or in relation to the properties, business and affairs of the project. The Housing Commission, not later than three months after the close of any fiscal

year, shall cause to be prepared a balance sheet and an income and surplus account showing respectively in reasonable detail, the financial condition of the project at the close of such preceding calendar year and the financial operations thereof during each year. Such balance sheets and income and surplus accounts shall, at all reasonable times during usual business hours, be open to examination and inspection by the public in compliance with Public Act 442 of Public Acts of 1976, the Freedom of Information Act, as amended.

**Section 8. Slum clearance and housing projects declared to be for public purposes, eminent domain.**

(a) Housing projects, including new construction, rehabilitation, and slum clearance, contemplated by this ordinance are hereby declared to be for public purposes within the meaning of the Constitution and state laws relative to the powers of the county, including the power of eminent domain.

(b) The Housing Commission may recommend to the County Board of Commissioners the institution and prosecution of proceedings under the power of eminent domain in accordance with the state law relative to condemnation, upon the consent, by resolution, of the legislative body of the City, Village, or Township in which the property is located.

**Section 9. Deeds, contracts, leases and purchases.**

(a) Except as otherwise provided in this section, all deeds, contracts, leases or purchases entered into by the Housing Commission shall be in the name of the county and shall be approved by the County Board of Commissioners. Contracts for the purchase of necessary material, leases with tenants and options need not be so approved.

(b) Contracts for construction or purchase of materials entered into by the Housing Commission shall not be required to be made through the County Board of Commissioners and such contracts shall not be an obligation of the county except to the extent of the funds available to the Housing Commission from sources other than the county.

(c) The Housing Commission shall keep and maintain complete records of its deeds, contracts, leases, purchases, receipts and disbursements, including all grant and loan documentation, audit materials and other related financial documents.

**Section 10. Claims.**

All claims that may arise in connection with the Housing Commission and housing projects shall be presented as are ordinary claims against the county; provided, that written notice of all claims based upon injury to persons or property must be served upon the County Clerk within 60 days from the happening of the injury. But the disposition thereof shall rest in the discretion of the Housing Commission. The cost of investigation and attorneys' fees of all claims that may be allowed and final judgments obtained from such claims shall be paid only from the operating revenue of the housing projects.

**Section 11. Notes, bonds and other obligations or claims not debts or charges against county or members of commission.**

The notes, bonds, or other obligations or any claims of whatever nature against a housing project shall not be debts or charges against the county nor against any member of the Housing Commission, and no individual liability shall attach for any official act done by any member of the Housing Commission.

**Section 12. Management of projects generally; minimum revenue.**

The Housing Commission shall manage and operate its housing projects in an efficient manner so as to enable it to fix the rental for dwelling accommodations at the lowest possible rates consistent with its providing decent, safe and sanitary dwelling accommodations. The Housing Commission shall not construct or operate any such project for profit. To this end, the Housing Commission shall fix the rentals for dwellings in projects at no higher rates than it shall find to be necessary in order to produce revenues which, together with all other money, revenue income and receipts from whatever sources derived available for such purposes, will be sufficient to:

- (a) pay, as the same becomes due, the principal and interest on the bonds issued for such projects;
- (b) meet the cost of and provide for, administration, operation and maintenance of the projects, including the cost of any insurance on the projects or on bonds issued therefor;
- (c) create during not less than the six years immediately succeeding its issuance of any bonds, a reserve sufficient to meet the largest principal and interest payments which will be due on such bonds in any one year thereafter and to maintain such reserve; and
- (d) (1) by setting up a reserve for taxation purposes of five percent of the gross rentals of the project for any one year, which sum shall be paid to the county and other taxing units in proportion to the amount of taxes received for such unit in the year previous to the acquiring of the site for any housing project; or (2) to pay to the county and other taxing units a sum annually in taxes equal to the amount of taxes received prior to the acquiring of any such project site, from the assessment previously levied against such site.

**Section 13. Estimate of costs prior to purchase, improvements, operation, etc.**

Whenever the Housing Commission shall determine to purchase, acquire, construct, improve, enlarge, extend, operate or repair any housing facility, it shall first cause an estimate to be made and the amount thereof shall appear in the ordinance authorizing and providing for the issuance of the bonds.

**Section 14. Commission may designate certain persons to execute tenant leases for commission.**

The Kent County Housing Commission may designate their Executive Director, housing managers and assistant housing managers to execute tenant leases for the Housing Commission.

**Section 15. Regulations as to rentals and tenant selection.**

In the operation or management of any loan project, the Housing Commission shall at all times observe the following duties with respect to rentals and tenant selection:

- (a) It may rent or lease the dwelling accommodations therein only to persons of low income.
  
- (b) It may rent or lease the dwelling accommodations therein only at rentals within the financial reach of such persons of low income.
  
- (c) It may rent or lease to a tenant dwelling accommodations consisting of the number of rooms, but no greater number, which it deems necessary to provide safe and sanitary accommodations to the proposed occupants thereof without overcrowding.
  
- (d) It shall not accept any person as a tenant in any housing project if the persons who would occupy the dwelling accommodations have an aggregate annual income in excess of any maximum allowed by the federal government pursuant to federal law or regulation in any contract for financial assistance.
  
- (e) It shall prohibit subletting by tenants.

**Section 16. Free services, etc., prohibited.**

No free services or rental shall be furnished by any such project to the county, any state agency or to any agency, instrumentality or person.

**Section 17. Liberal construction of ordinance, definition.**

- (a) This ordinance, being necessary for and to secure the public peace, health, safety, convenience and welfare of the county and the people of the county, shall be liberally construed to effect the purposes thereof.
  
- (b) The following terms whenever used or referred to in this Ordinance shall have the following respective meanings, unless a different meaning clearly appears from the context:
  - (1) “Chairperson” shall mean the chairman or chairperson of the Kent County Board of Commissioners
  
  - (2) “County Board of Commissioners” shall mean the Kent County Board of Commissioners

(3) "Housing Commission" shall mean the Kent County Housing Commission as created pursuant to this Ordinance and Public Act 18 of the Extra Session of 1933, as amended

(4) "Housing Project" shall mean any work or undertaking of the Housing Commission, or any similar work or undertaking of a housing authority created under federal law.

**Section 18. Invalidity.**

Should any provision of section of this ordinance be held to be invalid for any reason, such holding shall not be construed as affecting the validity of any remaining portion of such section or of this ordinance, it being the legislative intent of that this ordinance shall stand notwithstanding invalidity of any provision or section.

**Section 19. Publication and posting.**

The Kent County Clerk is hereby directed to cause this Ordinance to be published in the Grand Rapids Press, a newspaper of general circulation within Kent County, and be posted in at least three places within the County. In addition, this Ordinance shall be posted in the government offices of each city, village, and township in Kent County.

**Section 20. Effective date and right of referendum.**

This ordinance shall become effective fifteen (15) days after its publication, unless within such fifteen (15) day period a petition is signed by a number of qualified electors of Kent County equal to at least 3% of the number of voters registered for the last regular election held within the Kent County is filed with the Kent County Clerk requesting that the question of the creation of the Kent County Housing Commission be submitted to the voters of the County of Kent.

Adopted: 8/12/93 by Resolution No. 8-12-93-105

Amended: 2/26/04 by Resolution No. 2-26-04-19