



August 27, 2019

Council Meeting of September 3, 2019
Subject: Fair Housing Services Agreement

The Honorable Mayor
And
Members of the City Council

Ladies and Gentlemen:

The City of Norton Shores, along with the Cities of Muskegon and Muskegon Heights have utilized the services of the Fair Housing Center of West Michigan under a collaborative agreement since 2012. The current agreement has recently expired and the parties involved are interested in a three-year agreement. The proposed agreement will be effective July 1, 2019 through June 30, 2022 and will include fair housing education and outreach activities, complaint investigation, and testing of fair housing laws within the community. The total cost of the three-year agreement for the City of Norton Shores is \$7,140 and will be covered by Community Development Block Grant (CDBG) funds in Fiscal Years 2020, 2021, and 2022.

The Council is requested to consider adopting the attached resolution approving a three-year agreement with the Fair Housing Center of West Michigan.

Respectfully submitted,

Mark C Meyers
Mark C. Meyers *AC*
City Administrator

MCM/adc
Attachments

Administration/City Clerk (231) 798-4391	Assessing Division (231) 799-6806	Building Division (231) 799-6801	Finance/Treasurer (231) 799-6805	Fire Prevention (231) 799-6809	Fire Department (231) 798-2255
Parks/Recreation (231) 799-6802	Planning/Zoning (231) 799-6800	Police Department (231) 733-2691	Public Works (231) 799-6803	Streets Division (231) 798-2156	Water/Sewer (231) 799-6804

RESOLUTION

WHEREAS, the Community Development Block Grant (CDBG) program provides funding to assist communities with fair housing services to ensure the provisions of the Fair Housing Act are adhered to; and

WHEREAS, the Fair Housing Center of West Michigan has been providing fair housing services to the City of Norton Shores since 2012 under a collaborative agreement with the Cities of Muskegon and Muskegon Heights; and

WHEREAS, Norton Shores, Muskegon, and Muskegon Heights are interested in continuing the arrangement with the Fair Housing Center of West Michigan for an additional three years.

NOW, THEREFORE, BE IT RESOLVED, that the Norton Shores City Council authorizes the Mayor to execute the three-year agreement with the Fair Housing Center of West Michigan to provide fair housing services from July 1, 2019 to June 30, 2022.

At a regular meeting of the City Council of the City of Norton Shores, held at the Norton Shores Branch Library, 705 Seminole Road, on the 3rd day of September 2019, the foregoing resolution was moved for adoption by Council Member _____. The motion was supported by Council Member _____.

Ayes:

Nays:

Shelly Stibitz, City Clerk



Internal Memo

August 27, 2019

TO: Mark C. Meyers, City Administrator

FROM: Anthony Chandler, Director of Administrative Services *AK*

SUBJECT: Fair Housing Services Agreement

In 2019, a Home Mortgage Disclosure Act (HMDA) Data Analysis Study was conducted for the Cities of Muskegon, Muskegon Heights and Norton Shores. The study concluded that all three municipalities must continue to further its fair housing activities to include complaint investigation on lending institutions pertaining to disparities, predatory lending, redlining, and other practices that may limit fair access to credit opportunity and homeownership.

As a participant in the Community Development Block Grant Program (CDBG), the City of Norton Shores is awarded funding to provide fair housing services to the general public. The purpose of providing fair housing services is to decrease impediments to housing choice and to promote open and diverse communities based on the provisions of the Fair Housing Act. The three neighboring communities determined the best and most economical method to provide fair housing services was to collaborate on this effort and jointly hire the Fair Housing Center of West Michigan.

The Fair Housing Center of West Michigan specializes in this subject matter and has been providing this particular service to the three communities since 2012. The current two-year agreement has recently expired and the three communities have determined an additional three-year agreement with the Fair Housing Center of West Michigan would be appropriate to continue addressing the issues. Norton Shores will have a total cost share of \$7,140 for these services which will be paid from CDBG funds in FY 2020, 2021, and 2022 (\$2,380 per FY).

Attached is a copy of the agreement and a resolution for consideration by City Council.

FAIR HOUSING SERVICES PROPOSAL 2019-2022
Fair Housing Center of West Michigan

The **Fair Housing Center of West Michigan** (hereinafter the “FHCWM”), a Michigan non-profit corporation with its principal offices located at 20 Hall Street SE, Grand Rapids, MI 49507, hereby proposes to provide fair housing services to the Cities of Muskegon, Muskegon Heights and Norton Shores (hereinafter the “Cities”).

I. PURPOSE

The purpose of these services is to decrease impediments to housing choice and to promote open, diverse communities based on the provisions of the federal Fair Housing Act and relevant state and local fair housing laws.

II. TERM

The FHCWM proposes to provide the services during the three-year period that begins on July 1, 2019 and ends on June 30, 2022, as outlined below.

III. AGREEMENT ACTIVITIES AND DEFINITIONS

- A. Education and Outreach. The FHCWM will conduct an ongoing community outreach program throughout the Cities to educate housing consumers, professionals and the general public concerning fair housing. The FHCWM will complete a minimum of 15 hours of education and outreach activities per year throughout the Cities.
- i. As part of a comprehensive, regional program, the FHCWM will disseminate fair housing information to housing consumers and housing/human service agencies in order to educate about housing rights and to increase awareness and reporting of discriminatory practices.
 - ii. The FHCWM will also provide fair housing information to sales, rental, and lending professionals in order to encourage their voluntary compliance with federal, state and local fair housing laws.
 - iii. The FHCWM will disseminate materials on a community-wide basis in order to promote understanding of fair housing and the benefits thereof, and to increase general public awareness regarding equal access to housing opportunity. Such services will include the provision of formal fair housing training upon request.
 - iv. The FHCWM will also provide technical assistance to the staff of the Cities in response to any and all questions regarding unlawful housing discrimination or fair housing practices.
- B. Complaint Investigation.
- i. The FHCWM will receive, review, investigate and process all real and potential complaints of unlawful housing discrimination involving people and/or properties located within the Cities which the FHCWM may receive from residents of any of the Cities, a person wishing to reside in any of the Cities, or any other source during the Term defined in this proposal.
 - ii. The FHCWM may independently initiate and implement systemic investigations, market reviews, case development, management and conciliation in order to detect and remove barriers to equal housing opportunity.
 - iii. In the absence of, or in addition to, an individual complainant, the FHCWM will initiate enforcement action in those cases where evidence of potential discrimination exists, as deemed necessary and appropriate at the sole discretion of the FHCWM.
- C. Housing Tests. Testing is an investigative tool used to gather evidence. Testing is one way to determine whether all housing consumers are being afforded the same information, service, treatment, and access without regard to the characteristics protected by fair housing laws.

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Fair Housing Center of West Michigan

- i. The FHCWM will conduct fair housing testing throughout the Term for the purpose of obtaining credible and objective information about housing practices. This may include testing in the areas of sales, rental, advertising, insurance, appraisal and/or financing of housing, as deemed necessary and appropriate at the sole discretion of the FHCWM.
 - ii. The FHCWM will conduct a minimum of 10 fair housing tests (at least two (2) per City) per year involving people and/or property within any of the Cities.
 - iii. The fair housing tests will be based upon bona fide complaints, conducted on a survey basis, or completed as part of a systemic investigation, with a focus on complaint-based testing.
 - iv. All housing testing will be conducted by trained testers according to generally-accepted housing testing methodology.
 - v. In the absence of, or in addition to, an individual complainant, the FHCWM will initiate enforcement action in those cases where evidence of potential discrimination exists, as deemed necessary and appropriate at the sole discretion of the FHCWM.
- D. Investigative Focus on Sales and Lending Discrimination. The FHCWM will place an investigative emphasis on identifying and addressing illegal housing discrimination in housing sales and lending transactions in the Cities.
- i. The FHCWM will build upon the investigations and analysis conducted under previous contracts between the parties.
 - ii. The FHCWM's investigative focus may include, but not be limited to, market research, review of available data, follow up on previously completed analysis of Home Mortgage Disclosure Act (HMDA) data, analysis of additional HMDA data, non-testing investigations, sales testing and lending testing.
 - iii. All housing testing will be conducted by trained testers according to generally-accepted housing testing methodology.
 - iv. The FHCWM will initiate enforcement action in those cases where evidence of potential discrimination exists, as deemed necessary and appropriate at the sole discretion of the FHCWM.

IV. REPORTING

The FHCWM will provide each municipality with program performance reports which contain information regarding the activities carried out and the results of those activities. Reports will be submitted bi-annually, within 15 days after the conclusion of each six-month reporting period. The FHCWM will forward the reports to each of the municipalities by January 15, 2020, July 15, 2020, January 15, 2021, July 15, 2021, January 15, 2022 and July 15, 2022. The complaint and testing activities will be reported by municipality.

IV. COMPENSATION

For the performance of the activities under this Agreement, the Cities hereby agree to pay the FHCWM the total amount of \$51,000.00 (fifty one thousand dollars) throughout the three year Term of the contract. The total amounts are subject to change if funding sources substantially diminish from HUD and/or other funding sources arise to substantially cover the Muskegon County area. However, such modifications must be proposed at least 30 days prior to their effective date, mutually agreed upon by all parties, and incorporated into written amendments to this contract. Under no circumstances will compensation be reduced for work or services provided pursuant to this Contract that have been performed in a timely and satisfactory manner.

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Agreement Activities Timelines and Costs		
Activities	Timeframe	Amount
A, B, C	Year 1: July 1, 2019 – June 30, 2020	\$12,000.00
D	Year 1: July 1, 2019 – June 30, 2020	\$ 5,000.00
A, B, C	Year 2: July 1, 2020 – June 30, 2021	\$12,000.00
D	Year 2: July 1, 2020 – June 30, 2021	\$ 5,000.00
A, B, C	Year 3: July 1, 2021 – June 30, 2022	\$12,000.00
D	Year 3: July 1, 2021 – June 30, 2022	\$ 5,000.00
TOTAL		\$51,000.00

The municipalities share of the total is based upon the following agreed upon percentages of the total:

Municipality	Percentage	Share of Contract Total	Year 1 Total	Year 2 Total	Year 3 Total
City of Muskegon	53%	\$27,030	\$9,010	\$9,010	\$9,010
City of Muskegon Heights	33%	\$16,830	\$5,610	\$5,610	\$5,610
City of Norton Shores	14%	\$7,140	\$2,380	\$2,380	\$2,380
TOTAL	100%	\$51,000.00	\$17,000.00	\$17,000.00	\$17,000.00

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The FHCWM will submit invoices to each of the municipalities with each of its six (6) bi-annual reports reflecting the amount due for services rendered during each six-month reporting period. The schedule of payments is as follows:

Reporting Period		Municipality	Agreement Activities Rendered	Timeframe	Amount
Year 1 July 1, 2019 - June 30, 2020	Report 1 Due Jan. 15, 2020	City of Muskegon	A, B, C and D	July 1, 2019 - December 31, 2019	\$4,505
		City of Muskegon Heights	A, B, C and D	July 1, 2019 - December 31, 2019	\$2,805
		City of Norton Shores	A, B, C and D	July 1, 2019 - December 31, 2019	\$1,190
	Report 2 Due Jul. 15, 2020	City of Muskegon	A, B, C and D	January 1, 2020 - June 30, 2020	\$4,505
		City of Muskegon Heights	A, B, C and D	January 1, 2020 - June 30, 2020	\$2,805
		City of Norton Shores	A, B, C and D	January 1, 2020 - June 30, 2020	\$1,190
Year 2 July 1, 2020 - June 30, 2021	Report 3 Due Jan. 15, 2021	City of Muskegon	A, B, C and D	July 1, 2020 - December 31, 2020	\$4,505
		City of Muskegon Heights	A, B, C and D	July 1, 2020 - December 31, 2020	\$2,805
		City of Norton Shores	A, B, C and D	July 1, 2020 - December 31, 2020	\$1,190
	Report 4 Due Jul. 15, 2021	City of Muskegon	A, B, C and D	January 1, 2021 - June 30, 2021	\$4,505
		City of Muskegon Heights	A, B, C and D	January 1, 2021 - June 30, 2021	\$2,805
		City of Norton Shores	A, B, C and D	January 1, 2021 - June 30, 2021	\$1,190
Year 3 July 1, 2021 - June 30, 2022	Report 5 Due Jan. 15, 2022	City of Muskegon	A, B, C and D	July 1, 2021 - December 31, 2021	\$4,505
		City of Muskegon Heights	A, B, C and D	July 1, 2021 - December 31, 2021	\$2,805
		City of Norton Shores	A, B, C and D	July 1, 2021 - December 31, 2021	\$1,190
	Report 6 Due Jul. 15, 2022	City of Muskegon	A, B, C and D	January 1, 2022 - June 30, 2022	\$4,505
		City of Muskegon Heights	A, B, C and D	January 1, 2022- June 30, 2022	\$2,805
		City of Norton Shores	A, B, C and D	January 1, 2022 - June 30, 2022	\$1,190

FAIR HOUSING SERVICES PROPOSAL 2019-2022
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XII. CERTIFICATION OF AUTHORITY TO SIGN AGREEMENT

The persons signing this Agreement on behalf of the Cities, County and FHCWM hereto certify by said signatures that they are duly authorized to sign this Agreement.

XIII. APPROVAL AND SIGNATURES

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

CITY OF MUSKEGON

By: _____

Date: _____

CITY OF MUSKEGON HEIGHTS

By: _____

Date: _____

CITY OF NORTON SHORES

By: _____

Date: _____

FAIR HOUSING CENTER OF WEST MICHIGAN

By: _____
Nancy Haynes, Executive Director

Date: _____