

**City of Royal Oak
Rehabilitation Board of Appeals
Minutes of the regular meeting held on June 25, 2019**

A regular meeting of the Rehabilitation Board of Appeals was held at 7:00 p.m. on Tuesday, June 25, 2019 in room 309 of city hall.

Present:
Chairperson Heather Darling
Ryan Doyle
Commissioner Paruch
Jon Randall
Carl Stone

Absent:
Tyler Lynch
Vice Chairperson Rebecca Maas

Staff present:
Debbie Murray, Rehab. Finance Officer

Call to Order

Chairperson Darling called the meeting to order at 7:02 p.m.

Public comment

None.

Minutes of the April 23, 2019 meeting

Moved by Mr. Stone
Supported by Commissioner Paruch

To approve the minutes as presented.

Motion adopted unanimously.

Payment Dispute

Case No. 2756

Ms. Murray stated that there are outstanding legal matters with the contractor that will be worked out in court however, the amount to be paid was in dispute with the homeowner. The board and the homeowner discussed the issues involving the work. The contractor was not in attendance.

Moved by Mr. Randall
Supported by Commissioner Paruch

To authorize payment of 75% of the disputed \$4,700.

Motion adopted unanimously

Subordination request

Case No. 2584

Ms. Murray stated that the homeowners were requesting a subordination as part of a refinance of their first mortgage for a lower interest rate. Staff review procedure requires an escrow account which was not included in either the old or new mortgage. The board discussed the subordination request.

Moved by Mr. Stone
Supported by Mr. Doyle

To approve the subordination as requested.

Motion adopted unanimously

**Other Business
Procedure update**

Ms. Murray stated that staff may not approve a subordination if an escrow account, for the payment of property taxes and homeowner's insurance, is not associated with the first mortgage holder. The provisions was put in place to reduce the number of foreclosure. There was an increase in the number of foreclosures approximately a decade ago during the economic recession. At that time, the board wanted to review all subordinations that did not have an escrow account. The board discussed the relevance of the provision.

Moved by Mr. Stone
Supported by Mr. Randall

To remove the requirement for an escrow account as part of staff approval for subordination.

Motion adopted unanimously

Adjournment

Moved by Mr. Stone
Supported by Commissioner Paruch

To adjourn the meeting.

Motion adopted unanimously.

The meeting was adjourned at 8:48 p.m.



Heather Darling, Chairperson



Debbie Murray, Rehab. Finance Officer