



CITY OF MANITOWOC  
WISCONSIN, USA  
www.manitowoc.org



**MINUTES**  
**COMMUNITY DEVELOPMENT AUTHORITY**

**PLAN COMMISSION OFFICES**

Regular Meeting  
Wednesday, November 12, 2014

**I. CALL TO ORDER**

The meeting was called to order by Vice Chairman Gene Maloney at 4:03 P.M.

**II. ROLL CALL**

<u>Members Present</u>	<u>Members Excused</u>	<u>Staff Present</u>
Gene Maloney	John Stangel	Paul Braun
Emil Roth	Chris Able	Nick Sparacio
Dennis Tienor		Lisa Mueller
Jill Hennessey		Pauline Haelfrisch

**III. APPROVAL OF MINUTES OF THE REGULAR OCTOBER 15, 2014 MEETING**

Vice Chairman Maloney asked if there were any corrections or additions to the minutes of the regular October 15, 2014 meeting.

Hearing none, the following action was taken.

Motion by: Mr. Tienor	Seconded by: Mr. Roth
Moved that: the CDA approve the minutes of the October 15, 2014 regular meeting	Upon vote: the motion was carried unanimously

**IV. MANITOWOC HOUSING AUTHORITY BUSINESS**

A. Financial Report and Approval of Monthly Expenditures  
Pauline Haelfrisch reviewed the financial statements for November, 2014 with the Board members. She also distributed a list of expenses for this time period and reviewed these with the Board.

Discussion was held in regards to the elevator and additional work that it may need. Further discussion was held in regards to business and property insurance for Manitou Manor.

After some discussion, the following action was taken

Motion by: Ms. Hennessey	Seconded by: Mr. Tienor
Moved that: the CDA approve and authorize payment of the November, 2014 expenses	Upon vote: the motion was carried unanimously.

B. Audit Report

Pauline stated to the Board members that the audit had been done in October and although she does not have the official document, she would like to inform the Board of some findings. The bottom line is up \$51,000 due to tenant revenue being up \$3,000; the insurance proceeds for the hail damage - \$8,000; and the fact that Pauline received a full year of operating subsidy. The Housing Authority has 9.3 months of unrestricted funds. Pauline explained that HUD would like them to have six months which would be between \$195,000 - \$200,000. Thus, there is \$110,000 over that amount. The auditor advised Pauline to use the excess for improvements to the property because in the past, HUD has taken the amounts back by reducing the operating subsidy received. To continue, operating expenses were down, maintenance and operations were up \$5,000; and general expenses were up due to compensated absences.

C. Projects Update

Pauline reported to the Board members that the two bids came in for the bike shed: Hamann's bid was \$29,000 and Jos. Schmitt & Sons was \$31,000. Pauline has tabled it at this time. The architect is going to look for more options with one of them being to break down the job by having someone deliver the materials; another to pour the concrete; and another to actually construct it.

Discussion was held in regards to accepting one of the bids and building it anyway. Also mentioned was a private foundation that gives out grants for these types of projects called "Bikes Belong". Pauline stated she would look into this.

As for the other projects, the balcony is tabled until Spring; and as for the signage for the property, Pauline never got an answer back from Jones Sign Co. With further thought, she decided to wait until Spring and get a bid not only for the signs, but for the apartment parking signs also.

D. GPNA Update

Pauline reminded the Board members that this is a green physical needs assessment HUD is requesting of the housing authorities. An architect came in September to go over the building and determine what would need to be replaced and when over a twenty year span of time. Pauline just got the report back an hour before she had to leave, so she didn't get much time to look at it. She knows that windows for the building are a top priority and it would take a few years' worth of Capital Funds to be able to complete that project.

E. Tenant Work Request

Pauline explained to the Board members that she has a tenant who just started receiving disability and does not yet qualify for Medicare. He does qualify for the MAPP program which is dispensed through the Aging and Disability Resource Center. In order to receive help through this program the tenant has to work one hour a month and receive \$10 in compensation. This \$10 can be in any way, shape or form. The ADRC asked Pauline if she could help. She proposed that the tenant could take care of the aluminum can project that was just

implemented. The tenant would periodically check the garbage rooms for any cans, crush them, and make sure to let Brian know when the bags needed to be changed. In return, she would offer him a stipend of \$10 off his rent every month. It would be a win/win situation for all involved.

Some discussion was held and the Board agreed to approve Pauline's request.

Pauline reported that the recreation room is in poor condition as far as the carpeting, draperies and furniture. Pauline would like to use some of the excess unrestricted funds to update that room.

Some discussion was held and the Board approved the request.

## **V. DOWNTOWN REDEVELOPMENT ACTIVITIES**

### **A. Financial Report – Revolving Loan Program, 11/7/2013**

Mr. Braun reviewed the financial reports with the Board members for the revolving loan program. A total of \$756,462.37 in loan funds was available.

The following action was taken.

Motion by: Mr. Tienor

Moved that: the CDA accept the financial report and place on file

Seconded by: Ms. Hennessey

Upon vote: the motion was carried unanimously

### **B. Update and Discussion of ABBA, LLC – Loan REV2011-1 Status**

Paul Braun gave the update for Eighth and York. ABBA, LLC closed their doors on approximately November 1<sup>st</sup>, 2014. Paul talked with Kathleen McDaniel, the City Attorney. She is in discussions with Dave Kowalski, the attorney for the bank, and Terry Fox, the attorney for the owners, the Vogels.

Bob Lemke and Todd Hutchison are looking to purchase the property from the bank and possibly leasing it as there are a couple of interested parties. Dennis Tienor explained that some liabilities and debts have to be cleared along with some other potential needs.

A question was asked in regards to the shortfall which is roughly \$11,500. Paul reported he thought there was some discussion over the City having interest in the equipment. Dennis Tienor stated there is a shared lien on the equipment. The City has an inter-creditor agreement that was executed between the City and the Bank.

Paul explained the City has a third mortgage on three of the properties and a second lien on all borrower assets secured by general business security agreement.

There was discussion on all the creditors being made whole. Dennis explained the steps to be taken to determine who gets what after the liens are cleared out.

**\*A short discussion was held in regards to the open seat on the Board. It was decided that Paul would contact any persons the Board members recommended. Jill Hennessey suggested calling Chelle Blaszczyk. Paul stated Chelle was on Mainly Manitowoc and was familiar with the downtown. Dennis proposed calling Peter Dorner and if he doesn't have time would he have any suggestions.**

## **VII. ADJOURNMENT**

A. The meeting was adjourned at 4:32 P.M.

Respectfully submitted:

Nicolas Sparacio,  
Executive Director

NS/pmh