

MINUTES

COMMUNITY DEVELOPMENT AUTHORITY

PLAN COMMISSION OFFICES

Regular Meeting
Wednesday
October 14, 2015

I. CALL TO ORDER

The meeting was called to order by Chairman John Stangel at 4:00 P.M.

II. ROLL CALL

<u>Members Present</u>	<u>Members Excused</u>	<u>Others Present</u>	<u>Staff Present</u>
John Stangel	Jill Hennessey	Brian VanDeCreeke	Nic Sparacio
Gene Maloney	Chris Able	Kevin Crawford	Paul Braun
Emil Roth	Dennis Tienor		Tyler Caulum
Anton Doneff			Pauline Haelfrisch

III. APPROVAL OF MINUTES OF THE REGULAR SEPTEMBER 16, 2015 MEETING

Chairman Stangel asked if there were any corrections or additions to the minutes of the regular September 16, 2015 meeting. Hearing none, the following action was taken.

Motion by: Mr. Maloney	Seconded by: Mr. Roth
Moved that: the CDA approve the minutes September 16, 2015 regular meeting	Upon vote: the motion was carried of the unanimously

IV. MANITOWOC HOUSING AUTHORITY BUSINESS

A. Financial Report and Approval of Monthly Expenditures

Pauline reviewed the financial statements for October, 2015 with the Board members. She also distributed a list of expenses for October and reviewed these with the Board.

Pauline reported to the Board members that she received full payment for the judgement from the last tenant that was evicted in July.

There was some discussion over the maintenance of the DirecTv receivers, lead based paint inspection, and the overdue incomplete GPNA Pauline contracted with Schultzerwerk Architects to perform.

The following action was taken.

Motion by: Mr. Roth	Seconded by: Mr. Doneff
Moved that: the CDA approve and authorize the October, 2015 expenses	Upon vote: the motion was carried payment of unanimously

Pauline discussed with the Board members a request from her new maintenance man. Sean asked if we would consider dumpsters for the disposal of garbage. He presented a proposal for this request listing his reasons. Anton explained that Pauline would have to check with the City of Manitowoc in regards to fencing and site obstruction. Some discussion was held as to the location and the installment of concrete pads for the dumpsters to sit on.

B. Window Replacement Project

Pauline distributed to the Board members the budget numbers the architect gave her for the window replacement project. These numbers came from installation contractors and window manufacturers. The architect felt the Board members should see the price of the ADA compliant casement windows even though it is twice what Pauline has budgeted. Pauline asked the architect to supply her with a cost for aluminum sliders.

Although sliders would be the least energy efficient Pauline felt that due to the fact that the building gets quite warm in the winter because of the hot water pipes lacking insulation; many tenants run their air conditioners or have their windows open. As much as Pauline would like the windows to be as energy efficient as possible, it would be a detriment to what would be accomplished.

Discussion was held and Pauline hoped to have more information for the next meeting.

C. Lead Based Paint Inspection

Pauline reported to the Board members that the Inspector dusted 25 units, common areas and the exterior of the building. He conducted over 850 tests and they came out negative. The overall building material conditions were found to be in INTACT condition.

D. HUD Section 3 Regulation

Pauline discussed with the members HUD's regulation in regards to Section 3 requirements for the housing authorities. This regulation was always in place; however, HUD is now expecting housing authorities to give an in depth report on their efforts to comply.

Section 3 is the ruling that whenever HAS' use government funds for projects, they should be documenting their efforts in hiring either their own residents or low income minority businesses to do the work. Pauline explained that she spoke with a rep from Washington about the difficulty in executing this regulation with little success.

Nic explained that as long as a good faith effort is made to hire low income (Section 3) businesses to bid on your projects, HUD should be satisfied. Nic stated that he would be looking into the regulation also since he will need it for his projects and he would collaborate with Pauline on it.

V. DOWNTOWN REDEVELOPMENT ACTIVITIES

A. Financial Report – Revolving Loan Program, 10/09/2015

Nic reported that the balance has not changed in the revolving loan fund due to no activity; however, the next agenda item could change that.

B. Design Review:

None

C. Loan Activities

Discussion and Possible Action on Forefront Management Commercial Loan to Fund Property Acquisition at 924 York Street REV2015-1

Nic presented the Board members with a Project Narrative for Forefront Management a/k/a Dermatology Associates(DA). Nic explained the project narrative and how the CDA

could assist in their expansion plans. The request is for is a \$150,000 revolving loan for a nine year term, with 0% interest.

Dermatology Associates has leased the eastern half of 600 York Street and is doing a renovation project to house certain departments of their business. They will move 50 people in on Friday and there is room for 120 total. The \$150,000 in loan funds would be going for 924 York Street which would be used for more parking. Nic stated the following: DA would prefer the City own the parking area and maintain it; the parking spaces would be available for public use after hours and the bulk of them would be available on weekends as well. Businesses in the area have been impacted by limited parking. An environmental assessment has been done on the property with no concerns given. Upon execution of a zero cost parking lease for fifty stalls, DA would deed the property to the City.

Discussion was held in regards to when DA would be using the parking lot for their employees. Nic stated that all details would be covered in the parking lease with the City. Some of the reasons for the 0% interest are: high quality employer in the community; quicker payback at nine years; public benefit-freeing up parking for public; get funds out and working.

Motion by: Mr. Maloney
Moved that: The CDA approve the loan with the conditions listed in the Project Narrative

Seconded by: Mr. Roth
Upon vote: the motion was carried unanimously

*** Nic wanted the Board members to know that there has been some interest in the Eighth and York space in the way of a restaurant.**

VI. HOUSING REHABILITATION BUSINESS

A. Financial Report Presentation

Nic had given the members a report which showed the housing revolving loan fund is still growing with a balance of \$290,591.44. Nic explained the different facets of the report.

Discussion was held in regards to the Artists' Lofts. Nic stated they are hoping to start work this week and have a completion date of Spring 2016. All their funding is lined up. The sources and uses of funds has stabilized. A challenge for Nic has been the condition of the loan documents. They are outdated and the supporting documents are not up to date. Nic has worked with Steimle Birschbach to put together a new set of loan documents which he will begin to adapt to each program.

VII. ADJOURNMENT

The meeting was adjourned at 4:46 P.M.

Respectfully submitted:

Nicolas Sparacio,
Executive Director