

Community Development Authority of the City of Manitowoc Meeting Minutes March 15, 2017

I. CALL TO ORDER

Acting Chairman A. Doneff called to order the regular meeting of the Community Development Authority at 4:00 PM on March 15, 2017 at the Community Development Department offices.

II. ROLL CALL

P. Haelfrisch conducted the roll call.

III. APPROVAL OF MINUTES

Board member A. Doneff asked if there were any corrections or additions to the minutes of the regular meetings held on January 18th and February 15th, 2017 respectively. Hearing none, the following actions were taken.

Motion by: Ald. Kummer

Seconded by: D. Tienor

Moved that: the CDA approve the January 18, 2017 Minutes as presented

Upon vote: the motion carried unanimously

Motion by: D. Tienor

Seconded by: L. Kummer

Moved that: the CDA approve the February 15, 2017 Minutes as presented

Upon vote: the motion carried unanimously

IV. MANITOWOC PUBLIC HOUSING BUSINESS

A. Financial Report and Approval of Monthly Expenditures

P. Haelfrisch discussed the monthly reports of finances and expenditures she had provided to the members. The following action was taken:

Motion by: D. Tienor

Seconded by: E. Roth

Moved that: the CDA approve and authorize payment of the March, 2017 expenses

Upon vote: the motion carried unanimously

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B. HUD Site Visit

P. Haelfrisch reported to the Board members that she had two representatives from HUD field office do a walk thru of Manitou Manor and offer recommendations for corrections in response to her physical inspection. She went through the report the representatives gave her with the Board members and explained the corrections she would be making.

C. Window Replacement Project

P. Haelfrisch informed the Board members that the window replacement project will begin Monday, March 20th. N. Sparacio requested P. Haelfrisch to send him all invoices from the window contractor she has received so far.

V. DOWNTOWN REDEVELOPMENT ACTIVITIES

A. Revolving Loan Fund Financial Report

N. Sparacio provided a report on the current fund balances.

Motion by: D. Tienor

Seconded by: L. Kummer

Moved that: the CDA accept the financial report for the Commercial revolving loan fund

Upon vote: the motion carried unanimously

B. Monthly Report on 1512 Washington Street Demolition

N. Sparacio summarized the Pre-Construction Meeting that was held with the selected demolition contractor, Brandenburg, the selected landfill, Waste Management, and all utilities and City Departments. The asbestos abatement should be completed by mid-April and structural demolition should begin in late April. N. Sparacio also provided a status update of the \$500,000 Idle Sites Grant requested from the Wisconsin Economic Development Corporation.

VI. HOUSING REHABILITATION BUSINESS

A. Revolving Loan Fund Financial Reports

N. Sparacio provided a report on the current fund balances.

Motion by: D. Tienor

Seconded by: L. Kummer

Moved that: the CDA accept the financial reports for the Housing program funds

Upon vote: the motion carried unanimously

B. Discussion on CDBG Loan Program Policies and Procedures

N. Sparacio discussed three basic loan fund disbursement questions the committee had previously inquired about: does the loan committee have approval authority for new loans, can the loan committee limit the maximum size of loans, can the loan committee limit the activities for which a loan is used.

N. Sparacio spoke with Wisconsin Department of Administration (DOA) staff and was informed that they are in the process of updating the RLF program manual to combine both the state and regional RLF programs into one manual.

N. Sparacio continued that the DOA does not recommend establishing a maximum loan amount. Presently all projects that are over \$50,000 require approval from the State. DOA acknowledged that some local municipalities are concerned about running out of program funds, and it is for this reason the regional RLF programs (Brown County) should be utilized. L. Kummer inquired if it would be better to spread funds over more than one project. N. Sparacio explained that by spreading the funds broadly, the improvement impact on a home is not always visible, and that by investing fully in a home, a greater impact would be realized.

The DOA also advised that capping the loan amount may conflict with existing RLF program requirements to meet Housing Quality Standards (HQS) with each project. N. Sparacio continued that it appeared past program loans were limited to a range of \$10,000 - \$15,000 and that project loans today averaged \$30,000.

S. Maier explained that even though previous project loans were in the \$10,000-\$15,000 range the city must now address lead-based paint abatement in homes constructed prior to 1978 and asbestos abatement. She continued by reviewing the hazard notations on a HQS Inspection form. All hazard items on an HQS form are eligible and must be corrected to make the home decent, safe, and sanitary. Discussion ensued regarding loan information confidentiality. A. Doneff asked if a pre-1978 home would be lead tested or if lead is presumed. S. Maier reviewed the lead-based paint risk assessment criteria for projects over and under \$25,000 in value. A. Doneff requested clarification if air conditioning unit installation is a requirement for a project loan. S. Maier explained per DOA if an air conditioning unit is existing, the RLF program will pay for a replacement unit. If the unit is a new installation then the program will only allow installation if a medical reason requires it.

Discussion continued regarding existing mortgage debt and disbursing loan funds. S. Maier explained that funds were granted to the city for low to moderate income households, and though some homes may go into foreclosure, the city will have a housing stock that is improved and will add to the tax base.

N. Sparacio recapped the answer to the question of whether a local loan committee can retain approval and denial for all loans. DOA responded that local programs are not required to relinquish the authority to approve or deny loans but they can reduce the level of oversight and increase efficiency by contracting out the loan administration.

C. Discussion and Possible Action on Revolving Loan Fund Application: 01-2016 CDBG

S. Maier explained that air conditioning was removed from this scope of work. DOA advised that unless it is required for health reasons, air conditioning should not be funded.

Motion by: D. Tienor

Seconded by: L. Kummer

Moved that: the CDA accept the work write up and authorize MSA to complete the process

Upon vote: the motion carried unanimously

- D. Department of Transportation Request for Partial Release of Mortgage
N. Sparacio described the need for the partial release of mortgage based on the Department of Transportation plat of right-of-way for the Waldo Boulevard reconstruction project. The new street design will add a curve to the sidewalk corner, thus the need for the small area of additional right-of-way.

Motion by: L. Kummer

Seconded by: D. Tienor

Moved that: the CDA approve the request for partial release of mortgage at 1303 Waldo Boulevard (Loan #64-98)

Upon vote: the motion carried unanimously

VII. ADJOURNMENT

Acting Chairman A. Doneff adjourned the meeting at 4:55 PM.

ATTENDANCE

Members Present

Dennis Tienor
Anton Doneff
Ald. Lee Kummer
Emil Roth

Members Absent

Chairman John W. Stangel
Gene Maloney
Ald. Chris Able

Others Present

Kari Justmann, MSA
Susan Maier, MSA

Staff Present

Pauline Haelfrisch
Nicolas Sparacio

Minutes submitted by: Pauline Haelfrisch and Nicolas Sparacio