

# MINUTES

## COMMUNITY DEVELOPMENT AUTHORITY

### PLAN COMMISSION OFFICES

Regular Meeting  
Wednesday  
October 13, 2010

#### 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	Dennis Tienor	Peter Allie	David Less
Gene Maloney		Terry Fox	Pauline Haelfrisch
Emil Roth			
Matt Kadow			
Alex Olson			
James Noffke			

#### III. APPROVAL OF MINUTES OF THE REGULAR SEPTEMBER 22, 2010 MEETING

Chairman Stangel asked if there were any corrections or additions to the minutes of the regular September 22, 2010 meeting. Hearing none, the following action was taken.

Motion by: Mr. Kadow

Moved that: the CDA approve the minutes of the regular September 22, 2010 meeting

Seconded by: Mr. Roth

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 October, 2010 with the Board members. She also distributed a list of expenses and reviewed these with the Board.

The following action was taken.

Motion by: Mr. Maloney

Moved that: the CDA approve and authorize payment of the October, 2010 expenses

Seconded by: Mr. Noffke

Upon vote: the motion was carried unanimously

Pauline discussed with the Board the replacement of a refrigerator in the dining room/kitchen of Manitou Manor. The County maintains a nutrition site for the tenants that is open Monday thru Friday from 10:00 a.m. to 1:00 p.m. Pauline thinks the appliances were originally owned by the County and Manitou Manor

had replaced the stove about seven years ago. Pauline was wondering if she could go ahead and purchase a refrigerator for the kitchen as the current one is not functioning properly.

Discussion was held as to exactly how much Manitou Manor makes use of the appliances. Also, discussion was held as to if there was ever any agreement between the County and Manitou Manor. Pauline knew of some type of agreement, but it hasn't been kept up to date.

The CDA agreed to authorize Pauline to purchase a refrigerator for the dining room/kitchen; however, to contact the ADRC to see if they would be able to contribute to it's cost. David Less also advised Pauline to have John Stangel take a look at the agreement.

Motion by: Mr. Maloney

Seconded by: Mr. Roth

Moved that: the CDA approve the purchase of a refrigerator for the dining room/kitchen and to contact the ADRC for possible funding

Upon vote: the motion was carried unanimously

**B. Main Water Line Replacement**

Pauline reported to the CDA the main water line project started today. It was decided to put in a shut off valve to the fire hydrant on the property. The extra cost to the project will be \$950 bringing the total project to \$57,050.

After the project is complete, Northeast Asphalt will replace the concrete and restore the parking lot. A subcontractor, Rob Klein will be sealing the cracks in the parking lot this year. Next Spring, the entire parking lot will be repaved.

**C. Report on Bulk Cable TV Project**

The price for the bulk cable per unit with tax is \$22.96. This would give the tenants the Basic Standard package that normally costs them \$59.99 plus tax. Pauline is still waiting to hear back from Comcast in regards to having a rep speak to the tenants about the cable. Pauline has spoken with eight other housing authorities that have bulk cable and how they maintain this service.

**D. Door Lock Replacement**

Pauline reported that she made the decision to have the entrance door locks replaced. Ten entrance doors were re-pinned to fit one key. Each tenant now has the same key to open the entrance doors and a separate key to open their mailbox and apartment. Two reasons for having it done; added security and less issues with entrance door lock cylinders.

**V. DOWNTOWN REDEVELOPMENT ACTIVITIES**

**A. Financial Report – Revolving Loan Program, 10/07/10**

David Less reviewed the financial report with the Board members for the revolving

loan program. As of October 7, 2010 a total of \$462,407.68 in loan funds was available.

Motion by: Mr. Olson

Moved that: the CDA accept the 10/07/10 report and place on file

Seconded by: Mr. Maloney

Upon vote: the motion was carried unanimously

## **VI. HOUSING REHABILITATION BUSINESS**

### **A. Loan #53-98 Subordination Request**

David reviewed the subordination request with the CDA. The new proposed lender, Bank First National replaces the existing first mortgage holder for the current balance of the mortgage. David recommends approval with the recommendation limiting them to the amount of the first mortgage as this will be the final subordination.

Motion by: Mr. Roth

Moved that: the CDA approve subordination request #53-98 pursuant to the recommendation

Seconded by: Mr. Noffke

Upon vote: the motion was carried unanimously

### **B. Resolution Authorizing Execution of Certain Amendment Documents and the Issuance of Additional Bonds Relating to the Authority's Variable Rate Demand Housing Refunding Revenue Bonds, Series 2000 (Regency House Project)**

David Less reviewed the financing request with the CDA. This project has to do with the Custer Street Joint Venture, LLC Regency House Apartments which are located at 929 South 31<sup>st</sup> St./3100 Peto St. This was a 60 unit elderly, low income apartment complex that was approved in 1986. The City owned the property at that time and sold it for \$1 pursuant to a Redeveloper's Performance Agreement. The CDA followed up with the issuance of bonds in 1986 in the amount of \$1,750,000. In 2000, there was a refunding bond issue in the amount of \$1,210,000 that was also issued by the CDA. That closed in December, 2003. What the CDA is being asked to consider today

is

a 2010 amendment to that underlying bond issue that included two components. First, is the refunding of the remaining \$1,105,000 that is currently outstanding from the 2003 balance of \$1,210,000 Series 2000 bonds. Also, an additional \$330,000 in additional bond proceeds is to be issued with the Series 2000 bonds for financing certain property improvements. The main players in this transaction would be the conduit borrowers, Christopher and Christine Allie. Foley & Lardner is Bond Counsel for the conduit borrower, in this case which is the Custer Street Joint Venture, LLC. The conduit borrower's counsel is Terence P. Fox, present here today. Finally, outside special issuer's counsel for the CDA is Rebecca Speckhard, Quarles & Brady.

One of the requirements of this procedure is that a TEFRA public hearing needs to be held. TEFRA is the "Tax Equity Fiscal Responsibility Act of 1982". Notice appeared in today's Herald Times Reporter 14 days prior to the hearing. The public hearing is scheduled for 10/27 at 10:00 a.m. in the City Planner's office.

David reported he had e-mailed out a copy of a “Resolution Authorizing Execution of Certain Amendment Documents and the Issuance of Additional Bonds Relating to the

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Authority’s Variable Rate Demand Housing Refunding Revenue Bonds, Series 2000” to the CDA. This resolution approves the issuance of the bonds and authorizes David Less and John Stangel to sign documents on behalf of the CDA. David stated this whole transaction is a refinancing with a new lender.

David stated that if the CDA approves the resolution, this would authorize moving forward with the bond issue as outlined.

Some discussion was held as to the proposed improvements to the property. Also, discussion was held as to the issuance of the bonds, and whether or not the CDA would be responsible for any future costs related to this project or bond issue.

The following action was taken.

Motion by: Mr. Noffke  
Moved that: the CDA authorize and approve the resolution as presented and further authorize the Chairman and Secretary/Executive Director to proceed in accordance with the resolution

Seconded by: Mr. Roth  
Upon roll call vote:  
Stangel - aye  
Maloney - aye  
Olson - aye  
Kadow - aye

## **VII. ADJOURNMENT**

The meeting was adjourned at 4:37 P.M.

Respectfully submitted:

David Less,  
Executive Director

DL/pmh