

MINUTES

REDEVELOPMENT AUTHORITY OF THE CITY OF FOND DU LAC REGULAR MEETING WEDNESDAY, OCTOBER 15, 2014

City/County Government Center, Meeting Room D & E
7:30 a.m.

1. Teletzke called the meeting to order at 7:30 a.m. The meeting was held in Room D & E of the City/County Government Center, 160 S. Macy Street, Fond du Lac, Wisconsin.

2. Wegner called the roll

Present

Absent

Richard Ewald
Mary Gilles
Terry Hansen-Beno
Karyn Merkel
Anne Pierce
Doug Teletzke
Sarah Van Buren

Excused

Wegner declared a quorum present

Staff in Attendance:

Dyann Benson, Community Development Director
Debbie Wegner, Community Development Specialist

Others in Attendance:

Joe Becker, Fond du Lac County Economic Development Corporation
Bill Steimel, Fond du Lac County Economic Development Corporation
Josh Hafron, General Capital Group, Lakeside Gardens

3. Approval of Minutes

A. Open and Closed Session Minutes from the Regular Meeting of September 17, 2014

Van Buren made a motion to approve the minutes of the regular meeting of September 17, 2014; seconded by Ewald. Motion carried.

4. New Business

A. Approval of Financial Statements

1. Redevelopment Authority Monthly Financial Statement – September 2014
2. Redevelopment Authority Quarterly Financial Statement – September 2014

Wegner reviewed the monthly and quarterly financial statements for September, 2014.

3. Economic Development Revolving Loan Fund (EDRLF) Quarterly Report Dated September 30, 2014

Benson reviewed the Economic Development Revolving Loan Fund quarterly report dated September 30, 2014.

Gilles made a motion to approve the Redevelopment Authority's monthly and quarterly financial statements and the quarterly report on the Economic Development Revolving Loan Fund dated September 30, 2014 as presented; seconded by Pierce. Motion carried.

B. Request for Funding in Support of a Low Income Housing Tax Credit Project (LIHTC) – Lakeside Gardens from General Capital Group

Benson stated that the Redevelopment Authority (RDA) received a funding request from General Capital Group, owners of the Lakeside Gardens development, to support an application to Wisconsin Housing and Economic Development Authority (WHEDA) for Low Income Housing Tax Credits (LIHTC). She indicated that the LIHTC Program is a competitive application process and WHEDA evaluates each application on a series of merits, including whether there is community support for the application.

Benson indicated that General Capital Group is applying for LIHTC in order to undertake various improvements at Lakeside Gardens, including kitchen and bathroom upgrades; cosmetic upgrades such as flooring and painting; roof; windows; doors and accessibility improvements.

Benson reviewed that the City's Consolidated Plan outlines the priority needs for the Community Development Block Grant (CDBG) Program. As part of that process, rental properties, including large scale developments, were not identified as a priority need. Therefore, this project is not eligible for CDBG funding.

Benson stated that the RDA oversees other grant funds, including the Wisconsin Rental Rehabilitation Program which may be used to provide funding for rental improvements.

The consensus of the RDA was to defer action on this agenda item until more information can be provided from General Capital Group. The RDA is requesting clarification on the Fond du Lac County residency requirements along with financial statements. Hafron indicated he will provide the requested information at the November meeting.

Ewald made a motion to defer action on the request for funding in support of a Low Income Housing Tax Credit Project until the requested information listed above is provided and reviewed; seconded by Pierce. Motion carried.

C. Update on the Economic Development Revolving Loan Fund (EDRLF) by the Fond du Lac County Economic Development Corporation (FCEDC)

Becker and Steimel reviewed the Fond du Lac County Economic Development Corporation's (FCEDC) efforts to promote and utilize the Economic Development Revolving Loan Fund.

D. Resolution No. 14-22 – A Resolution Approving an Amendment to the City of Fond du Lac Economic Development Revolving Loan Fund Manual of Policies and Procedures to Comply With Community Development Block Grant (CDBG) Regulations

Benson reviewed that the RDA develops the policies and procedures in regards to the administration of the Economic Development Revolving Loan Fund (EDRLF). These policies and procedures are described in the EDRLF Manual which is used by the Fond du Lac County Economic Development Corporation (FCEDC) to administer the EDRLF.

Benson stated that at the September meeting, staff introduced proposed changes to the EDRLF Manual to help facilitate use of the program by local businesses. She reviewed the proposed changes:

- Changes to the dollar amount per full time equivalent job for businesses in the manufacturing and industrial sectors
- The addition of grant funding for the Commercial Rehabilitation Program - Downtown Business Improvement District (BID)

Van Buren made a motion to approve Resolution No. 14-22; seconded by Ewald. Motion carried.

E. Action on Allocating Funding to the Downtown Fond du Lac Partnership in Support of a Winter Farmer's Market

Benson reviewed that the Downtown Fond du Lac Partnership (DFP) coordinates the annual farmer's market that runs from May through October. Last winter, there was an effort by local vendors to develop a winter farmer's market in one of the vacant spaces within the downtown.

Benson stated that the summer event is well attended and utilized by those individuals that receive funding assistance through various State and Federally funded programs. The winter event hoped to continue that interest. Typical of the first year of any event, the number of vendors that participated in the winter event was less than those that participate in the summer event. This reduction in vendors makes it difficult to cover the cost of indoor space.

Benson reviewed that the EDRLF can be used not only to create jobs for low-and-moderate income persons, but also to support businesses that provide a service to low-and-moderate income neighborhoods. She stated that staff is proposing to provide funding through the EDRLF to subsidize the cost of the indoor space to support the winter farmer's market. She reviewed that the DFP would work to build the number of vendors participating, coordinate the renting of space as well as oversee the operation to ensure all regulations and requirements are met. The DFP has stated the budget for the winter farmer's market is \$14,400. Benson stated that the winter farmer's market will run from November 1, 2014 through April 30, 2015.

Pierce made a motion to approve the funding request in the amount of \$14,400 to the Downtown Fond du Lac Partnership in support of a Winter Farmer's Market; seconded by Van Buren. Motion carried.

Ewald left the meeting at 8:23 a.m.

F. Wisconsin Rental Housing Rehabilitation Loan Program – 64 E. Merrill Avenue

Benson reviewed that in 2012 ADVOCAP requested assistance with the rehabilitation of three (3) of their transitional housing units located at 70 E. Merrill Avenue, 64 E. Merrill Avenue, 321 E. Merrill Avenue. The units are rented to individuals that receive case management and other supportive services from ADVOCAP and then transition to more permanent and independent housing.

The first activity located at 321 E. Merrill Ave was completed in 2012. The second activity is being proposed for 2014.

Wegner indicated that the Wisconsin Rental Rehabilitation Loan Program (WRRP) will provide a forgivable mortgage for the rehabilitation of the second property located at 64 E. Merrill Avenue. She stated that as long as ADVOCAP has ownership of the property and it used for low-and-moderate income housing, the value will be reduced each year. Wegner stated that after ten (10) years, if all requirements have been met, the loan balance will be forgiven. However, if ADVOCAP sells the property or if it is no longer used to assist low-and moderate income persons during the ten (10) year timeframe, the loan will be repaid through sale proceeds or through monthly repayments.

Wegner said that the total cost of the rehabilitation work items is \$67,500.00.

Pierce made a motion to approve the forgivable rehabilitation loan for 64 E. Merrill Avenue; seconded by Gilles. Motion carried.

G. Adjourn into Closed Session

Gilles made a motion to adjourn into closed session. Van Buren seconded the motion and the roll call vote was as follows: Gilles, aye; Hansen-Beno; Pierce, aye; Teletzke, aye; Van Buren, aye. Motion carried.

H. Reconvene into Open Session

Van Buren made a motion to reconvene into open session. Gilles seconded the motion and the roll call vote was as follows: Gilles, aye; Hansen-Beno; Pierce, aye; Teletzke, aye; Van Buren, aye. Motion carried.

I. Resolution No. 14-23 – A Resolution Approving the Residential Rehabilitation Loans Under the Community Development Block Grant Program and/or HOME Program

Gilles made a motion to approve Resolution No. 14-23; seconded by Pierce. Motion carried.

5. Redevelopment Authority Meeting Schedule – November, December and January

Benson stated that the November RDA meeting will be held on Thursday, November 13 at 5:30 p.m. for the Needs Assessment Public Hearing as part of the PY2015 Annual Action Plan. She also indicated that the December and January meetings will be held earlier in the month than usual; however, no specific date has yet been chosen.

6. Correspondence

None

7. Other Matters as are Authorized by Law

8. Motion to Adjourn

The Authority adjourned by unanimous consent at 8:39 a.m.

Respectfully submitted,

Debbie Wegner
Community Development Specialist

**MINUTES
REGULAR MEETING
REDEVELOPMENT AUTHORITY OF THE
CITY OF FOND DU LAC**

**WEDNESDAY, OCTOBER 15, 2014
CLOSED SESSION**

Present

Absent

Richard Ewald
Mary Gilles
Terry Hansen-Beno
Karyn Merkel
Ann Pierce
Doug Teletzke
Sarah Van Buren

Excused

Excused

Wegner declared a quorum present.

Staff in attendance:

Dyann Benson, Community Development Director
Debbie Wegner, Community Development Specialist

Others in Attendance:

None

One loan being considered for approval under the CDBG and/or HOME Program was reviewed.

Respectfully submitted,

Debbie Wegner
Community Development