

MINUTES

REDEVELOPMENT AUTHORITY OF THE CITY OF FOND DU LAC REGULAR MEETING Thursday, January 9, 2014

City/County Government Center, Meeting Room D & E
5:30 p.m.

1. Udee called the meeting to order at 5:33 p.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

Richard Ewald
Greg Giles
Anne Pierce
Karyn Merkel
Leo Udee

Absent

Mary Gilles (excused)
Doug Teletzke (excused)

Wegner declared a quorum present

Staff in attendance:

Dyann Benson, Redevelopment Planner
Debbie Wegner, Community Development Specialist

Others Present:

None

3. Approval of Minutes

A. Open and Closed Session Minutes from the Regular Meeting of
November 19, 2013

Merkel made a motion to approve the minutes of the regular meeting of November 19, 2013; seconded by Ewald. Motion carried.

4. New Business

A. Community Development Block Grant (CDBG) Public Hearing

(1) Review and Approve the Annual Action Plan and the List of Estimated Allocations to Proposed Projects for PY 2014

a. Owner Occupied Housing Rehabilitation Loans, 1-4 unit structures	\$220,000
b. Renter Occupied Housing Rehabilitation Loans, 1-4 unit structures	0
c. Rehabilitation Project Delivery	40,000
d. Homestead Opportunity Program	15,000
e. Blight Elimination	30,000
f. Public Facilities	30,000
g. Boys & Girls Club	20,000
h. Homeless Assistance	10,800
i. Warming Shelter	5,000
j. Help at Home for the Elderly	7,500
k. Dental Care	10,000
l. Mentoring	10,000
m. Administration	109,000
n. Undesignated	38,556
Total	\$545,856

The FY2014 appropriation for the U.S. Department of Housing and Urban Development has not been determined. If the actual allocation amount is less than the City's estimate, the proposed activities budgets for the PY2014 Annual Action Plan for the City of Fond du Lac will be proportionally decreased from the estimated funding levels to match actual allocation amounts. If the actual allocation amount exceeds the City's estimate, the City will increase the Homestead Opportunity, Public Facilities and Blight Elimination activity budgets based upon the amount of additional funding.

Benson reviewed that the development of the Annual Action Plan requires two public hearings each year to gain citizen input on the Community Development Block Grant (CDBG) Program. The first public hearing occurred in October to identify needs within the community.

Benson stated that the second public hearing is to approve the proposed Annual Action Plan based upon the identification of needs within the community from the October public hearing. The public hearing notice was published in the Action Advertiser on Sunday, December 15, 2013. In addition, the notice was posted on the City's web site and email notification was sent to various community partners who have expressed interest in the CDBG program.

Benson stated that the PY 2014 estimated allocation is \$425,856. Entitlement funds will be budgeted with program income of approximately \$120,000 for a projected budget of \$545,856.

Benson further reviewed that the appropriation for the U.S. Department of Housing and Urban Development's (HUD) FY2014 has not been determined yet. She reviewed that if the City's allocation is less than anticipated each activity will be proportionately decreased. If the allocation is more than anticipated the Homestead Opportunities, Public Facilities and Blight Elimination activities will be increased.

Benson then reviewed the estimated allocations to the proposed PY2014 projects. She indicated that the Public Facility activities will include replacement of trees in low-moderate income neighborhoods due to the Emerald Ash Borer infestation and handicapped curb ramps. She also stated that the Help at Home Activity has not met expectations to date and may not receive PY2014 funding. Benson also reviewed Eligible CDBG activities, National Objectives and the identification of Community Needs. She stated that following the 30 day comment period the Annual Action Plan will be submitted to HUD when the City's actual allocation is determined.

(2) Review and Approve the Substantial Amendment to the Citizen Participation Plan

Benson reviewed that HUD requires all CDBG entitlement grantees to have a Citizen Participation Plan in place and to review and update it periodically. She stated that the current Plan meets the basic intent of the CDBG Program; however, there are policies and requirements which should be included and/or expanded upon.

Benson indicated that the key change to the revised Plan is the expansion of the "Accessibility" section. The revised Plan also includes language regarding protected classes, additional detail on comment periods, changes that require a public hearing and the complaint process.

B. Resolution No. 14-01 – A Resolution Approving the 2014 Annual Action Plan For Investing Community Development Block Grant (CDBG) Funds

Giles made a motion to approve Resolution No. 14-01. Pierce seconded the motion and the roll call vote was as follows: Ewald, aye; Giles, aye; Merkel, aye; Pierce, aye; Udee, aye. Motion carried.

C. Resolution No. 14-02 – A Resolution Approving the Substantial Amendment to the City of Fond du Lac's Citizen Participation Plan

Giles made a motion to approve Resolution No. 14-02. Merkel seconded the motion and the roll call vote was as follows: Ewald, aye; Giles, aye; Merkel, aye; Pierce, aye; Udee, aye. Motion carried.

D. Resolution No. 14-03 – A Resolution Approving an Amendment to the Housing Rehabilitation Loan Program Guidelines and Procedures Manual Adding Language Specifying the Rental Housing Rehabilitation Loan Total Debt-to-Value Ratio

Wegner reviewed that the CDBG Housing Rehabilitation Loan Program Guidelines and Procedures Manual requires an 80% or less Total Debt-to-Value (DTV) ratio for owner occupied housing loans. However, if the home is located within the CDBG Target area or the homeowners have owned the home two (2) years or less the ratio is allowed to go up to 100%.

She stated that the CDBG Housing Rehabilitation Loan Program Guidelines and Procedures Manual does not specify a Total DTV ratio for non-owner occupied housing loans. Staff is proposing that all non-owner occupied housing loans are required to have a Total DTV ratio of 80% or less, using the City's current year Fair Market Value, regardless of length of ownership or location in Target Area.

Ewald made a motion to approve Resolution No. 14-03; seconded by Merkel. Motion carried.

E. Discussion Regarding Applications Which Have Income Earning Adults Residing in Home Who Do Not Have Any Home Ownership

Benson stated that staff has recently received several housing loan applications where income earning adults reside in the applicants' home; however, do not have any ownership in the home. Because the non-applicant does not have homeownership and therefore is not applying for the housing loan, no signature is obtained on the application. In the past, the applicant has verified sources of income from all household members on the application and staff has verified income based upon that information.

Wegner stated the issue is that the non-applicant does not sign any documentation verifying his/her sources of income. Staff has now developed a form for the non-applicant to sign verifying some personal information along with all income sources.

It was the consensus of the RDA to provide this form to all non-applicants residing in the home at the time of application.

F. Report on Fair Housing Services – Fair Housing Council

Benson reviewed that in June 2013, the RDA approved a Subrecipient Agreement with the Metropolitan Milwaukee Fair Housing Council (MMFHC) to provide Fair Housing Services. As an Entitlement community within the CDBG Program, the City is required to undertake certain efforts to promote, or affirmatively further, fair housing. Fair housing services provided by MMFHC include enforcement, education and outreach, fair lending, research/analysis of affordable housing opportunities and technical assistance to City staff. Benson reviewed MMFHC's report for the Quarter ending on October 31, 2013.

G. Approval of Financial Statement

(1) Redevelopment Authority Monthly Financial Statement – December 2013

Wegner reviewed the monthly financial statement.

Giles made a motion to approve the monthly financial statement as presented; seconded by Merkel. Motion carried.

H. Adjourn into Closed Session

Merkel made a motion to adjourn into closed session. Ewald seconded the motion and the roll call vote was as follows: Ewald, aye; Giles, aye; Merkel, aye; Pierce, aye; Udee, aye. Motion carried.

I. Reconvene into Open Session

Giles made a motion to reconvene into open session. Pierce seconded the motion and the roll call vote was as follows: Ewald, aye; Giles, aye; Merkel, aye; Pierce, aye; Udee, aye. Motion carried.

J. Resolution No. 14-04 – A Resolution Approving Residential Rehabilitation Loans Under the Community Development Block Grant Program and/or HOME Programs

Merkel made a motion to approve Resolution No. 14-04; seconded by Ewald. Motion carried.

K. Action on Review of Loan Application Which Does Not Meet Program Guidelines

Giles made a motion to approve this loan application; seconded by Pierce. Motion carried.

L. Action on Review of Loan Application for Conceptual Approval

This item was withdrawn from the Agenda due to the non-compliance by the homeowner to provide additional information in a timely manner.

5. Correspondence

None

6. Other Matters as are Authorized by Law

7. Motion to Adjourn

The Authority adjourned by unanimous consent at 6:26 p.m.

Respectfully submitted,

Debbie Wegner
Community Development Specialist

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

**THURSDAY, JANUARY 9, 2014
CLOSED SESSION**

Present

Richard Ewald
Gregg Giles
Ann Pierce
Karyn Merkel
Leo Udee

Absent

Mary Gilles (excused)
Doug Teletzke (excused)

The Vice Chairman declared a quorum present.

Staff in attendance:

Dyann Benson, Redevelopment Planner
Debbie Wegner, Community Development Specialist

Others in attendance:

None

One loan being considered for approval under the CDBG and/or HOME Program was reviewed. A loan application which does not meet Housing Rehabilitation Loan Program Guidelines and a Deed in Lieu of Foreclosure for Loan No. 94.08 were discussed. The review of a loan application for conceptual approval was withdrawn from the Agenda due to the non-compliance by the homeowner to provide additional information in a timely manner.

Respectfully submitted,

Debbie Wegner
Community Development