

MINUTES

REDEVELOPMENT AUTHORITY OF THE CITY OF FOND DU LAC REGULAR MEETING WEDNESDAY, SEPTEMBER 18, 2013

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

1. Teletzke called the meeting to order at 7:34 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
Greg Giles
Mary Gilles
Karyn Merkel
Anne Pierce
Doug Teletzke
Leo Udee

Wegner declared a quorum present

Staff in attendance:

Dyann Benson, Redevelopment Planner
Debbie Wegner, Community Development Specialist

Others Present:

None

3. Introduction of New Member, Anne Pierce

Anne Pierce was introduced to the members and City staff.

4. Approval of Minutes

- A. Open and Closed Session Minutes from the Regular Meeting of August 21, 2013

Ewald made a motion to approve the minutes of the regular meeting of August 21, 2013; seconded by Gilles. Motion carried.

5. New Business

A. Approval of Financial Statement

(1) Redevelopment Authority Monthly Financial Statement – August, 2013

Wegner reviewed the monthly financial statement.

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

B. Action on Housing Rehabilitation Loan Program Policy and Procedures – Revision to Maximum Home Value

Benson reviewed that the Housing Rehabilitation Loan Program Guidelines and Procedures Manual establishes the framework by which staff reviews loan applications. She indicated that there are three key elements to determine whether the applicant meets that goal: income, assets and maximum home value.

Benson also stated that in August 2013, the US Department of Housing and Urban Development (HUD) provided updated information reducing the maximum value limit for the HOME Program to \$129,000. She reviewed that the Redevelopment Authority (RDA) has approved housing rehabilitation loans using both Community Development Block Grant (CDBG) and HOME funding.

Benson said staff evaluated the 2012 home sales and the median home sale value was approximately \$97,000. However, this sales price was based on data that included foreclosures and other non-traditional market transactions.

Benson stated staff is recommending approval for the reduction of the maximum home value limit from \$150,000 to \$129,000 to insure that the Program is targeting the City's affordable housing stock.

Udee made a motion to approve a revision to the Housing Rehabilitation Loan Program Policy and Procedures reducing the maximum home value limit to \$129,000; seconded by Giles. Motion carried.

C. Action on Funding Assistance for Drainage Improvements for a Low-Moderate Income Rental Unit

Benson stated that ADVOCAP constructed a new single family home at 136 Rose Ave. which is currently under a lease to own contract. ADVOCAP contacted City staff to request funding assistance from the RDA to address some drainage issues that are occurring on the property.

The tenant indicated to ADVOCAP that the sump pump runs “constantly” and that there is ponding water. City Engineering Department strongly encouraged connection to the storm sewer at the time of construction, and changes to the basement elevation which was going to be lower than adjoining properties. ADVOCAP opted not to pursue these changes at the time of construction.

ADVOCAP obtained two quotes in the amounts of \$6,500 and \$10,749 to connect the sump pump to the storm sewer. City staff obtained an estimate in the amount of \$6,000 for the same work order. That plumber also proposed an alternative option that would involve internal adjustments to the sump pump pit and sump pump discharge location at a cost of \$550.

It was the consensus of the members to provide funding in the amount of \$550 for the sump pump adjustment.

Ewald made a motion to approve funding assistance in the amount of \$550 for the internal adjustments to the sump pump pit and sump pump discharge location for drainage improvements for a Low-Moderate income rental unit; seconded by Giles. Motion carried.

D. Update on Rehabilitation of 301 E. First Street

Benson reviewed that in September 2012, the RDA approved acquisition of the property located at 301 E. 1st Street for rehabilitation and offer for sale as a homeownership opportunity.

Phase I of the project will involve exterior rehabilitation items including roofing, siding, windows, doors and rear entry rebuild.

Benson stated that the project was bid previously however, additional work items were later discovered and the project was rebid in August. She indicated that C & T Carpentry was the low bidder and will be awarded the contract in the amount of \$59,047 for Phase I. She reviewed that this property will be sold to a Low-Moderate Income household upon completion of all work items.

E. The Redevelopment Authority will Adjourn to Closed Session for the Following Purposes

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

F. Reconvene into Open Session Immediately Upon Conclusion of the Closed Session

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

G. Resolution No. 13-26 – 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. 13-26; seconded by Ewald. Motion carried.

H. Action on Potential Sale of Property Located at 24 N. Butler Street

Ewald made a motion to approve the sale of 24 N. Butler Street; seconded by Udee. Motion carried.

I. Action on Review of Request for Housing Rehabilitation Assistance for Applicant who Does Not Meet Program Guidelines

Ewald made a motion to discontinue the processing of this loan application because the circumstances were insufficient to overrule the Policies based on the past due status of the first and second mortgage loans and the status of the delinquent water bill for the additional non-homestead property owned by the applicant and another party; seconded by Udee. Motion carried.

J. Discussion Regarding the October Public Hearing – Tuesday, October 15, 2013 at 5:30 p.m.

Benson reviewed that the Redevelopment Authority typically holds two Public Hearings each CDBG program year. The first Public Hearing is held for the City's CDBG needs assessment. The second Public Hearing will be for review and approval of the proposed PY 2014 Annual Plan and projects.

City staff is planning to hold the first Public Hearing on October 15, 2013 at 5:30 p.m.

6. Correspondence - None

7. Other Matters as are Authorized by Law

8. Motion to Adjourn

The Authority adjourned by unanimous consent at 8:28 a.m.

Respectfully submitted,

Debbie Wegner
Community Development Specialist

MINUTES

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

**WEDNESDAY, SEPTEMBER 18, 2013
CLOSED SESSION**

Present

Absent

Richard Ewald
Gregg Giles
Mary Gilles
Karen Merkel
Anne Pierce
Doug Teletzke
Leo Udee

The 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. Also discussed was the potential sale of the property located at 24 N. Butler Street and a review of a request for housing rehabilitation assistance for an applicant who does not meet Program guidelines.

Respectfully submitted,

Debbie Wegner
Community Development