

MINUTES

COMMUNITY DEVELOPMENT AUTHORITY

PLAN COMMISSION OFFICES

Regular Meeting
Wednesday
July 11, 2012

I. CALL TO ORDER

The meeting was called to order by Chairman John Stangel at 4:04 P.M.

II. ROLL CALL

Members Present

John Stangel
Emil Roth
Chris Able
Dennis Tienor
Alex Olson
Jill Hennessey

Members Excused

Gene Maloney

Staff Present

David Less
Pauline Haelfrisch

III. APPROVAL OF MINUTES OF THE REGULAR JUNE 13, 2012 MEETING

Chairman Stangel asked if there were any corrections or additions to the minutes of the regular June 13, 2012 meeting. Hearing none, the following action was taken.

Motion by: Mr. Able

Moved that: the CDA approve the minutes of the June 13, 2012 regular 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 July, 2012 with the Board members. She also distributed a list of expenses for July and reviewed these with the Board.

The following action was taken.

Motion by: Mr. Tienor

Moved that: the CDA approve and authorize payment of the July, 2012 expenses

Seconded by: Mr. Roth

Upon vote: the motion was carried unanimously

Pauline reported to the Board that she had an issue with bedbugs in one of the tenant apartments. Pauline informed the Board that the elimination plan for this issue is quite expensive and HUD requires the HA to cover all costs. She explained that she was advised by her exterminator to order bed coverings for the mattresses. However, the problem moved to the living room and Pauline was advised to order a heat treatment. The heat treatment will cost \$1,500.

Some discussion was held and the Board was in agreement with Pauline's "plan of attack".

Pauline reported to the Board that we have no vacancies and have an official waiting list.

B. Board Approval of Updated Personnel Policy

Pauline distributed a copy of the personnel policy in which she had made changes per the Board's request. The Board will be reviewing the policy and will discuss the policy changes at the August meeting.

There will be no approval of the policy at this time.

C. Report on Past and Current Capital Fund Projects

Pauline reported that the hallway renovation was complete and all bills have been paid. Pauline discussed the upcoming project in regards to the heat control valve replacement in the apartments. The Board agreed that the valves do not need to be soldered, but could be threaded for easier removal in case of future leakage.

Pauline informed the Board that the only other projects on the agenda are the maintenance garage roof in which Schaus Roofing received the bid that came in around \$3,000. The other project will be the locks and weather stripping on the windows of Manitou Manor.

V. DOWNTOWN REDEVELOPMENT ACTIVITIES

A. Financial Report – Revolving Loan Program, 7/02/2012

Mr. Less reviewed the financial reports with the Board members for the revolving loan program. As of July 2, 2012 a total of \$690,448.32 in loan funds was available.

The following action was taken.

Motion by: Mr. Olson

Moved that: the CDA accept the 7/02/12 financial report and place on file

Seconded by: Mr. Able

Upon vote: the motion was carried unanimously

B. Design Review:

1. 1011 South Tenth St. – Manitowoc Co. Home Builders Association

David stated to the Board that this design has been previously approved. This is in regards to a small sign going in on the old Coenen Furniture building. David has no issue with it and is asking for a motion to approve this design review and grant a certificate of appropriateness.

The following action was taken.

Motion by: Mr. Able

Moved that: the CDA approve the design review application and award a certificate of appropriateness

Seconded by: Mr. Olson

Upon vote: the motion was carried unanimously

2. 110 North Eighth St. – The Laser Mill

David informed the Board that this was a previous design review in which he asked the vendor to come back with more definitive art work for the signage. David

is satisfied with what they resubmitted and has pre-approved it. He is asking for a motion to approve this design review and award a certificate of appropriateness.

The following action was taken.

Motion by: Mr. Able	Seconded by: Mr. Olson
Moved that: the CDA approve the design review application and award a certificate of appropriateness	Upon vote: the motion was carried unanimously

VI. HOUSING REHABILITATION BUSINESS

A. Subordination Request – Project #48-98 – Bertsche

David reported that this was a previously issued subordination back in 1999. The City's policy is to issue one subordination and after, be paid out. In 1999, this subordination did not include the recommendation that it was the final refinance.

David informed the Board that he had offered the lender an intercreditor agreement which basically said "that regardless of the recorded position of our mortgages; if there was a payout on the property, we would be paid out in a proportionate manner". The lender declined this agreement.

David's recommendation contrary to what is in the packet is to deny the request and if they are going to go through with the refinance, we would like to be paid out.

Some discussion was held in regards to this request and the following action was taken.

Motion by: Mr. Olson	Seconded by: Mr. Able
Moved that: the CDA deny subordination request #48-98	Upon vote: the motion was carried unanimously

B. Subordination Request – Project #7-91HIC/#32-98 – United One Credit Union

David reviewed this subordination with the Board. David felt our mortgage should be included in the payoff.

No action is to be taken. Minutes should reflect that it was brought to CDA's attention and if there was a formal discussion on it, it would be the CDA's intention not to approve and demand final payment.

C. Remarketing Agreement Update – CDA Variable Rate Demand Housing Revenue Bonds, Series 1998 – Southbrook Manor Project

David informed the Board that back in 1998, the CDA was the issuer of housing bonds for Southbrook Manor. What is presently happening is in the bond documents is a letter of credit due to expire in September of this year. The Doneffs' who are the owners of Southbrook Manor have changed their marketing agent. David has given the CDA documentation that showed the removal of Baird as the marketing agent and replaced it with Stern Bros. out of Georgia. Due to this change, they had to go back out and reprice this letter of credit that is part of this transaction. So, instead of Associated Bank which had originally priced the letter of credit; it has now been moved to Bank First National. Bank First National will now provide the letter of credit with a federal home loan bank wraparound guarantee.

No action is to be taken. David wants to make the CDA aware of this remarketing agreement. What will happen is that at the August meeting there will be a resolution authorizing changes to the bond documents.

VII. ADJOURNMENT

The meeting was adjourned at 4:47 P.M.

Respectfully submitted:

David Less,
Executive Director

DL/pmh