



CITY OF MANITOWOC

WISCONSIN, USA
www.manitowoc.org



MINUTES

COMMUNITY DEVELOPMENT AUTHORITY

PLAN COMMISSION OFFICES

Regular Meeting
Wednesday
March 11, 2015

I. CALL TO ORDER

The meeting was called to order by Chairman John Stangel at 4:03 P.M.

II. ROLL CALL

Members Present

John Stangel
Gene Maloney
Emil Roth
Jill Hennessey
Chris Able
Dennis Tienor

Members Excused

Anton Doneff

Staff Present

Nic Sparacio
Paul Braun
Pauline Haelfrisch

III. APPROVAL OF MINUTES OF THE REGULAR JANUARY 14, 2015 MEETING

Chairman Stangel asked if there were any corrections or additions to the minutes of the regular January 14, 2015 meeting.

Hearing none, the following action was taken.

Motion by: Ms. Hennessey
Moved that: the CDA approve the minutes
of the January 14, 2015 regular meeting

Seconded by: Mr. Able
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 February and March, 2015 with the Board members. She also distributed a list of expenses for this time period and reviewed these with the Board.

The following action was taken.

Motion by: Ms. Hennessey
Moved that: the CDA approve and authorize
payment of the February and March, 2015
expenses

Seconded by: Mr. Able
Upon vote: the motion was carried
unanimously

B. Bike Shed/Signage Bid Approval

Pauline informed the Board members that she had received bids for the two projects she had been working on with her architect. The bike shed bid from David Keehan of Keehan Custom Carpentry for labor was accepted for \$10,855.28 and materials from Valders Building Supply in the amount of \$5,854.33 brought the total to \$16,709.61. This bid was in comparison to Hamann Construction at \$29,292 and Jos. Schmitt and Sons at \$31,200.

Pauline informed the Board members that the signage project came in with two bids: one from Signs Plus for \$9,427 and Jones Sign at \$13,973. Pauline apprised the members that the low bid from Signs Plus was accepted.

Pauline also discussed with the members that there was another piece to this project which was the balcony remodel. She explained that her architect incorporated the remodel with the Algoma Housing Authority roof project in the hope of getting a more reasonable bid. Pauline would know the next day what the bid would be for the balcony as that is when the bid opening would be.

Discussion was held in regards to the design of the bike shed and the other two projects.

The following action was taken.

Motion by: Mr. Tienor
Moved that: the CDA members approve the Bike
Shed/Signage project bids

Seconded by: Mr. Roth
Upon vote: the motion was carried
unanimously

C. New Lease Agreement Board Approval

Pauline reviewed the lease agreement with the Board members. The members were e-mailed a copy with their minutes. Pauline confirmed that John Stangel had reviewed the lease in regards to any legal ramifications. She explained that the lease would now be an annual lease and there was information incorporated into the lease to streamline other paperwork Pauline gives to the tenants. She also stated that there would now be a charge for excess utility consumption in regards to extra freezers and dishwashers; and inefficient air conditioners. Discussion was held in regards to a clear explanation of what is considered an inefficient air conditioner, and Pauline assured the members that she has this in place. She also told the members that she had this lease reviewed by Diana Schultz from the HUD field office. John Stangel clarified that the lease is a one year lease; however, a tenant can break the lease for good reason.

Discussion was held in regards to a non-smoking policy and Pauline stated that she has not begun this process at this time. Discussion was held in regards to the appearance of the lease that was sent by e-mail. Some Board members did not have the full lease

print out correctly for them and there was an error on the lease that was sent. The blanks should have had zeroes in them and not actual figures. There was also discussion in regards to the flat rent policy. Pauline explained what the difference was between a flat rent and an income based rent. All tenants that are living at the PHA at this time need to sign the new lease agreement.

Motion by: Mr. Tienor
Moved that: the CDA members approve the new lease agreement for the Manitowoc Housing Authority

Seconded by: Mr. Able
Upon vote: the motion was carried unanimously

D. 2015 Capital Fund Update

Pauline informed the Board members that she had received the 2015 Capital Fund in the amount of \$96,348. This amount is determined by vacancies, management, physical inspections, and need. This amount is then revised by Pauline in the agency plan she submits to HUD.

Discussion was held as to what projects Pauline has the fund earmarked for. Pauline has to determine estimates of project costs. She explained that many times it is just “a guess” as to what a project might cost since when the time comes to do the project, it may no longer be feasible and she will have to go in another direction. Some of the projects she has outlined for this fund are: fire exit stairway upgrade, concrete work, garbage room stairway upgrade, and window replacement.

Pauline specifically wanted to talk about new windows for the building. She reminded the Board members of the discussion they had at a prior meeting in regards to the Reserves account. The reserves account should have 4 to 6 months worth of operations. This amounts to \$167,590. Presently, there is \$400,000 in the reserve account leaving \$232,400 that could go for the window replacement. Early estimates have set the cost of windows around \$350,000. If these monies were used for window replacement for the Summer of 2016, there would be a four month lead time on the windows, shop drawings would be four months prior to putting in, and the contract would have to be in place before then.

Pauline also explained that she has not used her 2014 Capital Fund yet. She has the monies from that fund earmarked for the projects that were just approved by the Board members also including water heater tanks for the boilers and apartment entry door upgrade. Some discussion was held in regards to the apartment entry door upgrade.

E. Five Year Agency Plan Update

Every five years, the Housing Authority has to submit a new five year plan. The last plan was submitted in 2010. This plan not only incorporates projects for the building, but also the mission of the HA, goals, addressing housing needs, any updates on policies, and any HUD regulations that required changes within the last five years. It is a requirement that the plan go out for public comment for 45 days and a public hearing held at Manitou Manor. Due to the public hearing, Pauline needs the Board members to reset the scheduled Board meeting for April for approval of this plan. It has been agreed the meeting will be changed to Wednesday, April 22nd.

F. Recreation Room Update

Pauline informed the board members that the carpet is installed, the draperies are ordered and will be in the end of March and she is working on the bids for the furniture with Lakeshore Business Interiors and Badger Office Supplies.

V. DOWNTOWN REDEVELOPMENT ACTIVITIES

A. Financial Report – Revolving Loan Program

Paul Braun informed the Board members that there has been no action for the revolving loan program. A total of \$746,912.60 in loan funds was available.

The following action was taken.

Motion by: Mr. Able

Moved that: the CDA accept the financial report and place on file

Seconded by: Mr. Tienor

Upon vote: the motion was carried unanimously

B. Loan Status Update Re: ABBA, LLC/8th & York Restaurant, REV 2011-1

Nic informed the Board members the loan was acted upon at the last meeting. The documents have been provided by Salutz & Salutz to release the lien and make it ready for sale to a buyer. At this time, Nic is not aware of a buyer. Nic has been talking with some parties to generate some business along those lines. He reported they had a good meeting with Progress Lakeshore. Progress Lakeshore is a group with private and public sector lenders as well as City revolving loan staff in order to get the word out. Discussion was held as to some of the conditions that are attached with these particular loans. A question was asked if any of the monies could be funneled to the Progress Lakeshore revolving loan fund. The Board member explained that Progress Lakeshore administers an RLF mainly for gap financing. It doesn't have the same restrictions as government money.

C. Presentation of Dept. of Administration (DOA) Housing Loan Program Audit

Nic informed the Board members that the City received the letter from the DOA illustrating items that the City needs to make note of. As far as having to take corrective action on past items, there is no need. The biggest challenge is the City has a deadline to submit a plan by April 27th on how they are going to start to implement the housing program again. Nic asked for direction from the Board members. They have discussed various alternatives as far as partnering with Lakeshore Cap or Partners for Community Development to try to get something going or a way to fund a staff person at the City level to perform these functions and other related functions.

The question was asked if revolving loan fund monies could be used for staffing purposes and Nic explained that a percentage of it could. Paul explained to the group that in the last three years the idea was to put the money back into the projects and a small fee was charged for administration. A question was asked if there is enough money in the fund to staff someone. Nic stated that if they are going to use administrative fees to staff someone, it would be based on how many new loans would be approved. Paul explained that in the past, a fee was added onto the mortgage so that the person getting the loan would pay the administrative fee. This was incorrect according to the DOA because those fees were never charged back to the CDBG fund. Staff will conduct some additional research on this topic.

More discussion was held as to what requirements would be expected in paying the staff person. As far as how much is currently available, the bulk of it is committed to the Artist Lofts project. Nic stated that they would be looking into the mechanics of the program and how it had been run in the past. It was decided that since most of the monies are committed to the Artist Lofts project until more funding becomes available, the City is unable to do much with what is currently in the fund.

VII. ADJOURNMENT

The meeting was adjourned at 4:55 P.M.

Respectfully submitted:

Nic Sparacio
Community Development Director

NS/pmh