

Community Development Authority of the City of Manitowoc

Meeting Minutes

June 15, 2016

I. CALL TO ORDER

Chairman Stangel called to order the regular meeting of the Community Development Authority at 4:00 PM on June 15th at Community Development Department offices.

II. ROLL CALL

P. Haelfrisch conducted the roll call.

III. APPROVAL OF MINUTES

Chairman Stangel asked if there were any corrections or additions to the minutes of the regular meeting held on May 18, 2016. Hearing none, the following action was taken.

Motion by: Ald. Able

Seconded by: Ald. Kummer

Moved that: the CDA approve the minutes of the May 18, 2016 meeting

Upon vote: the motion carried unanimously

IV. PUBLIC HEARING

Re: Blight Determination and Condemnation of 1512 Washington Street (parcel #052-000-246-000.00, also known as Former Mirro Plant #9)

N. Sparacio began by stating that the purpose of the hearing was to inform the community of this action and to meet the requirements of Chapter 66.1333 of the Wisconsin Statutes. Notice had been provided to the property owner and the CDA agenda had been publicly posted. N. Sparacio asked three times whether there were any interested parties to speak to this item. As there were no interested parties, the public hearing was closed.

V. MANITOWOC HOUSING AUTHORITY BUSINESS

A. Financial Report and Approval of Monthly Expenditures

P. Haelfrisch discussed the monthly report of finances and expenditures she had provided to the members. She discussed the Certificate of Deposit that would be coming due at Investor's Bank. The following action was taken:

Motion by: Ald. Able

Seconded by: D. Tienor

Moved that: the CDA approve and authorize payment of the June, 2016 expenses

Upon vote: the motion carried unanimously

B. FYE 2017 Budget Approval

P. Haelfrisch gave a synopsis of the 2017 budget. She also spoke about the current 2016 budget. Pauline proposed to the Board members a change in her work hours. The Board approved the change with the following stipulations: no increase in salary for two years and the obligation to return to the previous work schedule, if necessary. Discussion was held in regards to health insurance and accounting expenses and the following actions were taken.

Motion by: A. Doneff

Seconded by: E. Roth

Moved that: the Executive Director will have a 10% reduction in hours in exchange for no salary increase in 2016/2017

Upon vote: the motion carried unanimously

Motion by: Ald. Able

Seconded by: E. Roth

Moved that: the CDA approve the FY 2017 Budget with the stipulation that P. Haelfrisch researches the health insurance premiums for the Housing Authority

Upon vote: the motion carried unanimously

C. HUD Physical Inspection

P. Haelfrisch stated that she received a low score for her HUD physical inspection. P. Haelfrisch explained she will be appealing the violations. She will report to the Board members the results of the appeal.

D. Manitou Manor Street Repair

P. Haelfrisch reported that an engineer from the City came to her property to indicate exactly how much of the street in front of her property will be repaired. It is approximately 350' of the property that will be repaired.

V. DOWNTOWN REDEVELOPMENT ACTIVITIES

A. Monthly Report Presentation

N. Sparacio provided reports on the current fund balances and recent transactions. Discussion was held and the following action was taken:

Motion by: Ald. Able

Seconded by: Ald. Kummer

Moved that: the CDA accept the commercial and housing monthly reports and place on file

Upon vote: the motion carried unanimously

B. Design Reviews – 106 North Eighth Street

N. Sparacio reported on the request for this property. The placement and design of the proposed signage meet the applicable design review criteria. While there are architectural elements that have been altered over time to the detriment of the building itself, the proposed signage modifications do not further harm the historic value. Staff is recommending approval with the standard condition and an additional condition that if lighting is added, it will need to be brought back to the CDA for approval. The following action was taken:

Motion by: Ald. Able

Seconded by: E. Roth

Moved that: the Certificate of Appropriateness is granted with the conditions of compliance with the Manitowoc Municipal Code, and if proposed, the addition of lighting is required come back to the CDA for design review.

Upon vote: the motion carried unanimously

C. Design Review – 713 Washington Street

N. Sparacio reported on the request for this property. The property is located in the 8th Street Historic District and is noted as a Contributing property. The proposed alteration will repair a leaking roof and does not involve any further alteration away from the historic design. Vinyl siding is already in use on this portion of the building, and the proposed project will reduced the amount of vinyl siding. Staff finds that the proposed project meets the applicable design review criteria of the Zoning Code.

The Board discussed concerns over the continued use of vinyl siding on this portion of the building and how the roofline had likely been altered over time. The form of the second story addition is likely not consistent with the historic design, and the use of vinyl siding is clearly not consistent with the historic design. The Board identified two possible options that would be preferred: 1) changing the roofline to its likely original form, or 2) changing the materials to be more compatible with the rest of the building, specifically, brick or stucco. There was a consensus that the Board would be willing to review an alternate proposal from the applicant and vote over email on that basis.

Motion by: D. Tienor

Seconded by: Ald. Kummer

Moved that: the Certificate of Appropriateness is denied due to lack of consistency with the historic design of the building and that the CDA will consider alternatives and vote via email on

Upon vote: the motion was approved with J. Stangel, G. Maloney, Ald. Kummer, A. Doneff, and D. Tienor voting aye; Ald. Able voting nay

an alternative proposal.

D. Other Business – 1512 Washington Street

The Board reviewed the resolution for the Mirro building declaring the property blighted, finding that a redevelopment plan is not needed, and requesting Common Council authorization to acquire the property through condemnation. There was no public testimony to consider from the public hearing. The following action was taken.

Motion by: Ald. Able

Seconded by: D. Tienor

Moved that: the CDA approve the resolution declaring the subject property as blighted and requesting Common Council approval to acquire the property through condemnation.

Upon vote: the motion carried unanimously

VI. HOUSING REHABILITATION BUSINESS

A. Financial Report Presentation

N. Sparacio reported there was no change in the fund balances for the HCRI and HOME accounts; however, there was a satisfaction on the housing RLFs bringing the balance up. Discussion was held and the following action was taken:

Motion by: Ald. Able

Seconded by: Ald. Kummer

Moved that: the CDA accept the commercial and housing monthly reports and place on file

Upon vote: the motion was carried unanimously

B. Subordination Request – Loan 40-97 HOME/317-98 CDBG

N. Sparacio explained the requested subordination and loan terms. The proposed new primary mortgage would improve the terms for the borrower by lowering the interest rate and eliminating the need for a balloon payment. The borrower's monthly payment would be reduced. While the collateral value is still negative, there would still be adequate equity in the home. Staff recommends approval of the subordination under the following conditions:

1. Lender / Borrower to pay all City recording and title letter fees, and to provide Title report or equivalent after all lending/mortgage documents recorded. Costs to be borne by borrower.
2. Mortgage subordination limited to a new first mortgage of \$55,000.00.
3. Bank First National or assignee of mortgage to require establishment of escrows for taxes and insurance at inception of new loan.
4. This is final subordination. City to be repaid in full at time of next refinance.

Discussion was held and the following action was taken.

Motion by: Ald. Kummer

Seconded by: A. Doneff

Moved that: the CDA approve the subordination requests with the conditions recommended by Staff

Upon vote: the motion carried with D. Tienor abstaining

C. Other Business

N. Sparacio discussed with the Board members the changing role of the CDA in the housing rehabilitation loan program. It is no longer typical that CDAs review and approve projects. If projects meet program requirements, that are approved administratively. The CDA gets involved if there is a variance or appeal to standard program rules. It is also no longer typical to have a cap on the maximum loan amount other than a standard for maximum loan to value. All approved projects must now bring a home up to Housing Quality Standards, so all required work must be funded if the funds are available.

VII. ADJOURNMENT

Chairman Stangel adjourned the meeting at 5:20 p.m.

Minutes submitted by: Pauline Haelfrisch

Minutes approved by: Nicolas Sparacio

ATTENDANCE

Members Present

Chairman John W. Stangel
Ald. Chris Able
Ald. Lee Kummer
Emil Roth
Anton Doneff
Gene Maloney
Dennis Tienor

Staff Present

Nicolas Sparacio
Pauline Haelfrisch