



City of Racine

City Hall
730 Washington Ave.
Racine, WI 53403
www.cityofracine.org

Meeting Minutes - Final

Loan Board of Review

Alderman Mary Land
Marcia Fernholz
David Brown
Ken Plaski
Nicole Larsen
Amy Connolly

Thursday, November 16, 2017

8:30 AM

City Hall, Room 307

Amy Connolly Called the meeting to order at 8:33 a.m.

PRESENT: 5 - David Brown, Ken Plaski, Nicole Larsen, Amy Connolly and Mary Land

EXCUSED: 1 - Marcia Fernholz

Others Present:

Ben Lehner, Community Development Specialist
Bill Boerigter, Baker Tolly
Dennis Hanson, Lutheran Social Services
Dora Garcia, Consumer Lending Specialist
Joshua Jeffers, J. Jeffers & Co.
Jonathan Ward, J. Jeffer & Co.
Joy Hansche, Accountant
Laura Detert, Manager of Housing and Community Development
Michael Lechner, Housing Technician
Stevie Nelson, Administrative Assistant

Approval of Minutes for the September 14, 2017 Meeting

A motion was made by David Brown, Seconded by Ken Plaski to approve the minutes as ammended. The motion passed by a voice vote.

Approval of Minutes for the October 12, 2017 Meeting

A motion was made by Dave Brown, seconded by Ken Plaski to approve the minutes as ammended. The motion passed by a voice vote.

[1072-17](#)

Subject: Reports

- A. Delinquency Report
- B. LBR Financial Report
- C. Monthly Activity Report
- D. Property Disposition Report

Attachments: [Home Owner Report 10.31.2017](#)
[LBR Financial Report 10.31.2017](#)
[Rental Rehab Report 10.31.17](#)
[Monthly Activity Report 10.31.2017](#)
[Property Disposition Report 10.31.2017](#)

Motion was made by Amy Connolly to amend the order of the agenda. New business has been moved before reports.

A motion was made by Dave brown, seconded by Ken Plaski, to defer this item. The motion passed by a voice vote.

New Business

[1102-17](#)

Subject: (Direct Referral) Request by Lutheran Social Services for a \$700,000 CDBG Multifamily Loan for 1701 Packard Avenue ("Gold Medal Lofts") (Res. 0395-17)

Recommendation of the Loan Board of Review on 11-16-2017:

That the loan to Lutheran Social Services \$720,000 for acquisition costs of 1701 Packard Avenue at 1% interest with a 20 year term be approved. Repayment terms to be contingent on surplus cash flow and minimum \$7,200 interest-only annual payment at 1% interest. Mortgage and promissory note to be signed at closing and after demonstrating full project financing and tax credits and environmental review.

Further, recommend that the Mayor and City Clerk be directed to enter into a contract with Lutheran Social Services consistent with its application and all applicable federal regulations.

Fical Note: The CDBG Multifamily Loan account currently has a balance of \$1.3 million to loan to eligible projects in 2018. \$720,000 would be loaned from the CDBG Multifamily Loan account at 1% interest with a 20 year term. Repayment terms to be contingent on surplus cash flow and minimum \$7,200 interest-only annual payment at 1% interest. Payments would be contingent on demonstrated cash flow and all accrued principle and interest due after 20 years. The funds would be secured with a mortgage and note.

Attachments: [2017Nov16 Memo CDBG Multifamily Gold Medal](#)

A motion was made by David Brown, seconded by Mary Land, that this file be recommended for approval. The motion passed by a voice vote.

CLOSED SESSION

IT IS INTENDED THAT THE LOAN BOARD OF REVIEW WILL CONVENE IN CLOSED SESSION PURSUANT TO WISCONSIN STATUTES §19.85(1)(f), TO DELIBERATE OR NEGOTIATE REGARDING THE PERSONAL NON-PUBLIC FINANCIAL AND CREDIT INFORMATION OF HOMEOWNERS REQUESTING HOME IMPROVEMENT LOANS BECAUSE PRIVACY REASONS REQUIRE A CLOSED SESSION.

A motion was made by David Brown, seconded by Ken Plaski, to convene into closed session. The motion passed by the following roll call vote:

AYES: 4 - David Brown, Ken Plaski, Amy Connolly and Mary Land

EXCUSED: 1 - Marcia Fernholz

[1096-17](#)

Subject: Request from Jason and Shannon Farner of 2426 20th Street for a Home Improvement Loan

A motion was made by Dave Brown, seconded by Ken Plaski, that this file be approved. The motion passed by a voice vote.

[1097-17](#)

Subject: Request from Lorene Willis of 1920 Howe Street for a Home Improvement Loan

A motion was made by Ken Plaski, Seconded by Mary Land, that this file be approved. The motion passed by a voice vote.

OPEN SESSION

A motion was made by David Brown, seconded by Ken Plaski, to convene into open session. The motion passed by the following roll call vote:

AYES: 4 - David Brown, Ken Plaski, Amy Connolly and Mary Land

EXCUSED: 1 - Marcia Fernholz

[1079-17](#)

Subject: Tax delinquency policy for homeowner repair loans and/or code compliance grants.

Staff Recommendation: That the Loan Board of Review discuss tax delinquency policies and procedures with representatives from the City Attorney's Office and, if desired, take corresponding action amending the Housing Rehabilitation and General Administration Policy and Procedures Manual.

Attachments: [MEMO- Tax Delinquency](#)

A motion was made by David Brown, seconded by Mary Land, that this item be deferred. The motion passed by a voice vote.

Amy Connolly moved to adjourn the meeting at 10:00 a.m.