

City of Racine

*City Hall
730 Washington Ave.
Racine, WI 53403*



Meeting Minutes

Thursday, June 28, 2007

9:00 AM

Room 209, City Hall

Loan Board of Review

*Marcia Fernholz
Terry Maier
Robert Weber
Brian O'Connell
Rick Heller*

Call To Order

Mr. O'Connell called meeting to order at 9:06 a.m.

PRESENT: 5 - Marcia Fernholz, Terry Maier, Brian O'Connell, Rick Heller and Robert Weber

OTHERS PRESENT:

Dora Garcia, Consumer Loan Specialist

Joy Hansche, Accountant

Alderman Jim Kaplan

Kristin Niemic and Christopher Schanz of RCEDC

Dick Polzin of Racine Community Outpost

Police Chief Wahlen

Approval of Minutes for May 17, 2007 Meeting

A motion was made by Rick Heller, seconded by Terry Maier to approve the minutes of 5-17-2007. The motion passed by a voice vote.

Reports

- A. Delinquency Report**
- B. Attorney's Report**
- C. Financial Report**
 - 1. Available Loan Funds**
 - 2. Program Loan Funds**
- D. Monthly Activity Report**

A motion was made by Marcia Fernholz, seconded by Rick Heller to accept the reports as distributed. The motion passed by a voice vote.

New Business**A. Homeowner Deferred Loan**

[07-0824](#)

Subject: Request from Joaquin & Micaela Barajas of 1929 Center Street for a home improvement loan.

Recommendation of the Loan Board of Review on 6-28-2007: That a homeowner deferred interest loan in an amount up to \$30,000 be approved.

A motion was made by Rick Heller, seconded by Terry Maier that this file be approved. The motion passed by a voice vote.

B. Homeowner Fixed Interest Loans

[07-0826](#)

Subject: Request from Gail Geisler of 3201 Wright Avenue for a home improvement loan

Recommendation of the Loan Board of Review on 6-28-2007: That a homeowner fixed interest loan in an amount up to \$18,000 be approved.

A motion was made by Rick Heller, seconded by Robert Weber that this file be approved. The motion passed by a voice vote.

[07-0827](#)

Subject: Request from Valerie Gonzalez of 1319 Carlisle Avenue for a home improvement loan

Recommendation of the Loan Board of Review on 6-28-2007: That a homeowner fixed interest loan in an amount up to \$13,000 be approved.

A motion was made by Rick Heller, seconded by Terry Maier that this file be approved. The motion passed by a voice vote.

[07-0828](#)

Subject: Request from Suzette Scaife of 1311 Franklin Street for a home improvement loan

Recommendation of the Loan Board of Review on 6-28-2007: That a homeowner fixed interest loan in an amount up to \$10,000 be approved contingent upon owner having clear title to the property.

A motion was made by Rick Heller, seconded by Marcia Fernholz that this file be approved. The motion passed by a voice vote.

[07-0830](#)

Subject: Request from Anthony Trevino of 1404 10th Street for a home improvement loan

Recommendation of the Loan Board of Review on 6-28-2007: That a homeowner fixed interest loan in an amount of \$25,000 be approved.

A motion was made by Marcia Fernholz, seconded by Terry Maier that this file be approved. The motion passed by a voice vote.

[07-0855](#)

Subject: Request from Patty M. Brown of 227 Blaine Avenue for a home improvement loan

Recommendation of the Loan Board of Review on 6-28-2007: That a homeowner fixed interest loan in an amount up to \$15,000 be approved.

A motion was made by Rick Heller, seconded by Marcia Fernholz that this file be approved. The motion passed by a voice vote.

C. Rental Assistance Loans

[07-0831](#)

Subject: Request from Randall and Peggy Larson of 812 Park Avenue for a Rental Assistance Loan

Recommendation of the Loan Board of Review on 6-28-2007: That a Rental Assistance loan in an amount up to \$14,000 be approved contingent upon the owners' clearing up vegetation overgrowth on all sides

of the property and being current with property taxes on all city properties owned by this investor.

A motion was made by Terry Maier, seconded by Rick Heller that this be file approved. The motion passed by a voice vote.

[07-0832](#)

Subject: Request from Todd Nelsen of 1309 La Salle Street for a Rental Assistance loan

Recommendation of the Loan Board of Review on 6-28-2007: That a Rental Assistance loan in an amount up to \$30,000 be approved.

A motion was made by Rick Heller, seconded by Marcia Fernholz that this file be approved. The motion passed by a voice vote.

D. Other Requests

[07-0833](#)

Subject: Request from Racine Community Outpost for a loan to purchase 901-905 Hamilton Street

Recommendation of the Loan Board of Review on 6-28-2007: That a loan in an amount up to \$75,000 from account #818, for a term of 1 year (renewable) at 0% interest be approved. Proceeds from the sale of 905 Hamilton and/or Quintanilla C.O.P. house will be used to pay off loan.

Attachments: [0506_001.pdf](#)

A motion was made by Terry Maier, seconded by Rick Heller that this file be approved. The motion passed by a voice vote.

[07-0834](#)

Subject: Request for Funding Allocation for 912 Birch Street for acquisition and renovation

Recommendation of the Loan Board of Review on 6-28-2007: To allocate funding from HOME account # 851 in an amount up to \$107,000 for acquisition and renovation of this property.

Attachments: [0507_001.pdf](#)

A motion was made by Terry Maier, seconded by Marcia Fernholz that this file be approved. The motion passed by a voice vote.

[07-0836](#)

Subject: Request for Funding Allocation for 1526 Washington Avenue acquisition and renovation

Recommendation of the Loan Board of Review on 6-28-2007: To allocate \$190,000 from account # 820 for a term of 3 years at 0% interest to New Day Building Project/Racine County Economic Development Corporation; this loan would be in second mortgage position.

Attachments: [0516_001.pdf](#)

A motion was made by Robert Weber, seconded by Rick Heller that this file be approved. The motion passed by a voice vote.

07-0859

Subject: Request from Pointe Blue redevelopment project for a City loan guarantee

Recommendation of the Loan Board on 6-28-07: That the City of Racine guarantee a loan from First Wisconsin Bank & Trust to Key Bridge Group, Inc., said guarantee not to exceed \$750,000 for a term of three years.

Further recommends that the appropriate city officials be authorized to execute a Limited Guarantee of Specific Transaction documenting said guarantee.

Fiscal Note: The guarantee is not an expenditure of funds. It will be recorded as a liability against the housing loan portfolio, account 820, until the expiration of the guarantee.

Attachments: [Limited Guaranty Memo.pdf](#)

A motion was made by Robert Weber, seconded by Rick Heller that this file be approved. The motion passed by a voice vote.

Old Business

07-0617

Subject: Request from Mr. Damian Warshall, Vice President Housing Investments JPMorgan Capital Corporation for City Loan Board of Review to write off loan on Lincoln School Historic Apartments at 1130 Carlisle Avenue, Racine, WI 53404

Recommendation of the Loan Board on 6-28-07: That the Mayor and City Clerk be authorized and direct to execute an Assignment, Assumption and Novation Agreement with Lincoln School Historic Apartments and WHP-Lincoln School, LLC, and a Payment in Lieu of Taxes Agreement for the property.

Fiscal Note: The recommended action revises the city's mortgage on this property. It does not write it off. The revision provides for the city to receive a payment of \$29,296.00 on this currently non-performing mortgage and for the mortgage to be restructured so that principal and interest are forgiven over a 14 year period (1/14th per year) if the apartments remain affordable for low and moderate income persons. The revision allows the property to be sold to a non-profit organization that will improve the property and has agreed to make payments in lieu of property taxes.

Attachments: [Agreement with Lincoln School Historic Apt.pdf](#)

A motion was made by Terry Maier, seconded by Robert Weber that this file be approved. The motion passed by a voice vote.

Adjournment

There being no further business, the meeting adjourned at 10:15 a.m.

*Respectfully submitted,
Dora Garcia, Consumer Loan Specialist*