



City of Racine

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

Meeting Minutes - Final Loan Board of Review

David Brown
Marcia Fernholz
Robert Weber
Brian O'Connell
Rick Heller

Thursday, July 16, 2009

9:00 AM

City Hall

Loan Board of Review Meeting was Called To Order by Mr. Brian O'Connell at 9:01 a.m.

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

Others Present:

Bill Bielefeldt, Housing Technician
Dora Garcia, Consumer Lending Specialist
Joy Hansche, Accountant
Pete Karas, local resident

Approval of Minutes for June 18, 2009 Meeting

Reports

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

Old Business

Neighborhood Stabilization Plan update

The draft contract was recieved for the \$1.9 million NSP program to purchase-demolish-rebuild; purchase-rehab-sell; and to assist private buyers of foreclosed properties. After the contract has been signed and returned, we can begin working on the programs. Also, Joe Heck is compiling a list of properties to be considered for acquisition under this program.

Other Recovery Programs update

The Weatherization funding application has been submitted. Currently there are approximately 50 names on a waiting list at the Housing Dept. Note: Racine/Kenosha Community Action Agency also received funds to expand their program.

09-3765

Subject: Communication from Jim Spodick wishing to discuss paying off a loan on 255 North Memorial Drive. (Res.09-1509)

Recommendation of the Loan Board on 6-18-09: To defer this item to allow for additional analysis with the option of polling the board for a decision.

On June 30, via an electronic poll, the Loan Board of Review recommended that no discount on the loan amount be given based on the relative value of the property to the loan, and that there be a \$40,000 discount on the loan to \$635,000, based on the early payoff.

Fiscal Note: The loan is a no-interest balloon payment loan for \$675,000 due on October 8, 2011. The reduction of \$40,000 is recommended because the loan would be paid off early. Specifically, \$635,000 paid now is equivalent to \$675,000 paid in 2 1/4 years at the interest rate that the city currently earns on its short term investments (approximately 3%).

A motion was made by Marcia Fernholz, seconded by Rick Heller, that the electronic poll conducted on June 30, 2009 be re-affirmed. The motion passed by a voice vote.

New Business

Homeowner Fixed Interest Loans

09-3880

Subject: Request from Lisa Carleton of 2322 Hansen Avenue for a home improvement loan.

Recommendation of the Loan Board of Review on July 16, 2009:

To approve a home improvement loan in an amount up to the After-Rehab Assessed Value at 5% interest for a term up to 20 years. Note: owner is eligible for HOME grant match, must comply with City codes and inspections.

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

09-3881

Subject: Request from Edgar and Thisbe Castro of 726 St. Patrick Street for a home improvement loan.

Recommendation of the Loan Board of Review on July 16, 2009:

To approve a home improvement loan up to \$20,000 at 5% interest for a term up to 20 years. Note: owners eligible for a HOME match grant - must comply with City codes/inspections.

A motion was made by Robert Weber, seconded by Rick Heller, that this file be

approved. The motion passed by a voice vote.

[09-3882](#)

Subject: Request from Gary and Sandra Eckert of 1110 Harmony Drive for a home improvement loan.

Recommendation of the Loan Board of Review on July 16, 2009:

To approve a home improvement loan in an amount up to \$25,000 at 5% interest for a term up to 20 years. Note: owners are eligible for HOME match grant, must comply with City codes and inspections.

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

[09-3883](#)

Subject: Request from Katie Haman of 258 Luedtke Avenue for a home improvement loan.

Recommendation of the Loan Board of Review on July 16, 2009:

To approve a home improvement loan in an amount up to \$7,000 at 5% interest for a term up to 20 years. Note: owner is eligible for HOME match grant, must comply with City codes and inspections.

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

[09-3884](#)

Subject: Request from Cheryl Hegger of 1717 N. Wisconsin Street for a home improvement loan.

Recommendation of the Loan Board of Review on July 16, 2009:

To approve a home improvement loan in an amount up to \$15,000 at 5% interest for a term up to 20 years. Note: owner is eligible for a HOME match grant and must comply with City codes and inspections.

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

[09-3885](#)

Subject: Request of Billie Jean Henry of 1302 Thurston Avenue for a home improvement loan.

Recommendation of the Loan Board of Review on July 16, 2009:

To approve a loan in an amount up to \$15,000 at 5% interest for a term up to 20 years. Note: owner is eligible for a HOME match grant must comply with City codes and inspections.

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

[09-3886](#)

Subject: Request of Florence Jordan of 2620 Donna Avenue for a home improvement loan.

Recommendation of the Loan Board of Review on July 16, 2009: to approve a loan in an amount up to \$15,000 at 5% interest for a term

up to 20 years. Note: owner is eligible for a HOME match grant and must comply with City codes and inspections.

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

09-3887

Subject: Request of Michael and Susan Kratochvill of 1729 St. Clair Street for a home improvement loan.

Recommendation of the Loan Board of Review on July 16, 2009:
to approve a home improvement loan in an amount up to \$17,500 at 5% interest for a term up to 20 years. Note: Owners are eligible for a HOME match grant and must comply with City codes and inspections.

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

09-3888

Subject: Request of Gregory Mason of 910 Indiana Street for a home improvement loan.

Recommendation of the Loan Board of Review on July 16, 2009:
To approve a home improvement loan in an amount up to \$12,000 at 5% interest for a term up to 20 years. Note: Owner is eligible for a HOME match grant and must comply with City codes and inspections.

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

09-3889

Subject: Request from Michelle Parkhill of 3206 Erie Street for a home improvement loan.

Recommendation of the Loan Board of Review on July 16, 2009:
to approve a home improvement loan in an amount up to \$18,000 at 5% interest for a term up to 20 years. Note: owner is eligible for a HOME match grant and must comply with City codes and inspections.

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

Adjournment

Respectfully submitted,
Dora Garcia
Consumer Lending Specialist