



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
Alderman Dennis Wisner

Thursday, October 20, 2011

9:00 AM

City Hall, Room 306

1. Call To Order

Chairman, Mr. Brian O'Connell, called the meeting to order at 9:01 a.m.

PRESENT: 5 - Marcia Fernholz, Robert Weber, Brian O'Connell, Rick Heller and Dennis Wisner
EXCUSED: 1 - David Brown

Others Present:

Dora Garcia, Consumer Lending Specialist
Joy Hansche, Accountant
Joseph Heck, Assistant Director of City Development
Erica Knudsen, Secretary
Michael Lechner, Housing Technician
Terry Maier, Accountant

2. Approval of Minutes for September 22, 2011 Meeting

A motion was made by Dennis Wisner, seconded by Rick Heller, to approve the minutes, as distributed. The motion passed by a voice vote.

[11-7023](#)

Subject: Reports

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

Attachments: [Delinquency Report](#)
[Available Loan Funds](#)
[Program Loan Funds](#)
[Monthly Activity Report](#)
[Property Disposition](#)

A motion was made by Marcia Fernholz, seconded by Dennis Wiser, to approve the reports, as distributed. A motion was also made by Marcia Fernholz, seconded by Dennis Wiser, to approve the write off of 3 loans. The motion passed by a voice vote.

Note: The City of Racine will still be listed as a claimant in bankruptcy proceedings.

3. New Business

[11-7028](#)

Subject: Communication from IDA Coordinator requesting that the city deposit matching funds for the continuation of the Individual Development Account Program in Racine.

Recommendation of the Loan Board of Review on 10-20-11: That \$45,250 be advanced from Account #812 to Fund #260. Funds to be repaid to Account #812 as private-sector pledges are redeemed.

Fiscal Note: There are sufficient funds for this recommendation.

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

A. Property Disposition

[11-7029](#)

Subject: (Direct Referral) Request of Assistant Director, Joseph Heck, to transfer the lot at 61 Riverside Drive to St. Paul Community Economic Development Corporation.

Recommendation of the Loan Board of Review on 10-20-11: That the request be approved on the condition that the work commences no later than April 1, 2012 and be completed by December 31, 2012.

Fiscal Note: N/A

Attachments: [61 Riverside](#)

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

B. Homeowner Loans

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.

The following items were discussed in closed session:

11-7020

11-7021

11-7022

A motion was made by Rick Heller, seconded by Dennis Wiser, to go into closed session. The motion passed on a roll call.

AYES: 4 - Marcia Fernholz, Brian O’Connell, Rick Heller and Dennis Wiser

EXCUSED: 1 - David Brown

NON VOTING: 1 - Robert Weber

OPEN SESSION

A motion was made by Dennis Wiser, seconded by Marcia Fernholz, to convene into open session. The motion passed on a roll call.

AYES: 4 - Marcia Fernholz, Brian O’Connell, Rick Heller and Dennis Wiser

EXCUSED: 1 - David Brown

NON VOTING: 1 - Robert Weber

Rental Assistance Loans

[11-7020](#)

Subject: Request from Kerry & Donna Dieter of 1238-1240 Cleveland Avenue for a Rental Assistance Loan.

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

Homeowner Fixed Loans

[11-7021](#)

Subject: Request from Dorothy Langel & Steven Dodd of 811 Villa Street for a Home Improvement Loan.

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

[11-7022](#)

Subject: Request from Kurt & Terri Mandli of 1725 Grange Avenue for a Home Improvement Loan.

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

C. Policy Amendments

11-7030

Subject: (Direct Referral) Request of the Director of City Development to consider revising the amount of equity required for owner-occupied home improvement loans.

Recommendation of the Loan Board of Review on 10-20-11: That the equity requirement for homeowner loans be waived until October 31, 2014 with the stipulation that loans with insufficient equity be made only for code-related items including lead-based paint hazard reduction.

Fiscal Note: N/A

A motion was made by Rick Heller, seconded by Dennis Wiser, that this file be recommended for approval. The motion passed by a voice vote.

11-7031

Subject: (Direct Referral) Request of the Director of City Development to consider revising the interest rate charged for owner-occupied home improvement loans.

Recommendation of the Loan Board of Review on 10-20-11: That the request be approved to lower the interest rates for Homeowner Fixed loans from 5% and 3% to 3% and 2% respectively.

Fiscal Note: N/A

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

Adjournment

Chairman, Mr. Brian O'Connell, adjourned the meeting at 10:12 a.m.

Respectfully submitted,
Erica Knudsen, Secretary