

COMMUNITY DEVELOPMENT CITIZENS ADVISORY COMMITTEE

Time and Place: The Community Development Citizens Advisory Committee met on Monday, July 8, 2013 at 4:00 pm, Board Room at City Hall

Members Present: Chairman Bohlken, D. Ackerman, S. Ackerman, Brezinski, Freiberg and Thao

Members Excused: Reif, Gurness

Others Present: Pat Peckham, City Pages, Richard Holster, Paul Schwantes, landlords, Ann Werth, Tammy Stratz, and Travis Lepinski, staff

In compliance with Chapter 19, Wisconsin Statutes, notice of this meeting was posted and received by the Daily Herald in the proper manner.

(1) **Call to Order**

Chairman Bruce Bohlken called the meeting to order at 4:02 pm.

(2) **Public Hearing to receive comments on reprogramming Community Development Block Grant commercial Rehabilitation activity funds into Economic Development/Neighborhood Revitalization Program activities.**

Bohlken opened up the floor for the public hearing. Stratz indicated there is \$54,675 in the Commercial Rehabilitation Loan program income account as well as an additional \$17,000 in the 2012 Block Grant program year. Previously, the City had allocated \$500,000 in city levy funds to be used towards this program. Projects have not developed for some time and staff needs to utilize the Block Grant funding in a timely manner or risk having to return the funds back to HUD. As the committee may remember, staff has brought this program back a couple of time in the past to reprogram the accumulated program income funds into other programs that would better utilize them. Since there are the City's funds to use towards the new projects that have come forward, staff recommends reprogramming the current Block Grant funds of \$71,675 plus all upcoming program income that will be received from the final loan that is in repayment. Staff also recommends closing out the Block Grant funding towards the Commercial Rehabilitation Loan Program and utilizing the City's funding.

Werth indicated that Marathon County Chamber of Commerce, through its McDevco arm (Marathon County Economic Development Corporation), operates an Economic Development Revolving Loan Fund. These funds assist businesses of all sizes with a multitude of activities. Block Grant funds have been utilized to assist businesses that work with the retention and/or creation of jobs for low to moderate income households. McDevco has approached the City stating that their loan pool is very low. Therefore, staff recommends that the Block Grant funds that are currently in the Commercial Rehabilitation Loan program be reprogrammed into the Economic Development Revolving Loan Funds activity, as well as the remaining program income that will be received from the final loan.

Brezinski added that he has seen the great results that the Economic Development Revolving Loan Fund has provided to businesses and commends staff on their hard work to get these new businesses up and to be successful. Brezinski moved to approve the reprogramming of the Commercial Rehabilitation Loan Funds into Economic Development Revolving Loan Fund. D. Ackerman seconded. Motion passed unanimously.

(3) **Approval of minutes from June 17, 2013.**

Brezinski moved to approve the minutes as presented. Freiberg seconded. Motion passed unanimously.

(4) **Re-allocation of program funds: Program Income Commercial Rehabilitation activity funds into Economic Development/Neighborhood Revitalization activity funds.**

This item was taken out of order – see above at number two.

(5) **Approval of updated Homebuyer Downpayment Program Guidelines.**

Stratz reviewed the disbursed guideline changes. She indicated that at a recent HOME training she attended, new rules and regulations were revealed about how down payment assistance needs to be more of gap financing instead of a set amount for everyone. Staff held a meeting with the local lenders to discuss how this program would work with their programs. The guidelines discussed removing the blanket amount of \$4,000 to all qualifying households and replacing it with a range of \$2,000 - \$6,000 depending on the needs of that borrower. Staff would work with the individual financial institution to determine that need. The guidelines reflect what the repayment schedules would be based on the loan amount. The biggest change is due to Fannie Mae and Freddie Mac guidelines stating there can no longer be deferred loan payments. The borrower would have to start loan repayments back immediately. Frieberg moved to approve the changes to the Downpayment Program Guidelines as recommended. D. Ackerman seconded. Motion passed unanimously.

(6) **Rescheduling of 2014 Community Development Block Grant Program Year.**

Committee members discussed potential meeting dates for the upcoming 2014 Community Development Block Grant Program Year. The following dates were recommended:

First public hearing	-	Monday, September 9, 2013 @ 5:00 p.m.
Second public hearing	-	Thursday, September 12, 2013 @ 5:00 p.m.
Working Session	-	Monday, September 23, 2013 @ 5:00 p.m.
2 nd working session	-	Thursday, September 26, 2103 @ 5:00 p.m. (if needed)

(7) **Program Updates**

Werth stated that staff is getting ready for HUD who is coming early August to monitor our Economic Development program. Bohlken questioned where the City was at for replacing Heather. Werth indicated that position will no longer be an Assistance Director position but a 100% Economic Development position. Brezinski stated that this has to be priority for the City because this position brings businesses to the city and we need to keep that going. Werth also indicated that the City is considering hiring a consultant to determine economic development type opportunities with the potential rebuilding of Thomas Street. The City is also researching the possibility of bringing a Traveling Art Program to town through Wausau Area Events. Sculptures are placed throughout the City to be viewed and possibly sold.

(8) **Adjourn**

With no other business to come before the committee, Brezinski moved to adjourn the meeting, D. Ackerman seconded. The meeting was adjourned.

Respectfully Submitted,

Bruce Bohlken
Chairman