

COMMUNITY DEVELOPMENT AUTHORITY
MINUTES

03/24/15

MEMBERS PRESENT: Russ Wilson, Andy Witt, Sarah Napgezok, Gary Gisselman, Dorothy Korzilius

MEMBERS ABSENT: Romey Wagner, David Welles

OTHERS PRESENT: Ann Werth, Betty Noel, Juli Birkenmeier, Tammy Stratz, Kevin Fabel, Chris Schock

(1) Call Meeting to Order

Meeting was called to order at 12:03 pm in the WCDA Boardroom at 550 E Thomas Street, Wausau, Wisconsin.

(2) Approval of Minutes

Witt moved to approve the minutes from 02/17/15. Gisselman seconded the motion. Motion approved unanimously.

(3) 303-305 S. 2nd Avenue – Status Update

Wilson relayed various project updates to commissioners saying that we are currently going through an approval process outlined by the WDNR to ensure that every step of the project is DERF eligible. He said AECOM has provided the results from the most recent round of vapor intrusion indoor air sampling and was pleased to report that they were all within a good range with the exception of one below-grade apartment, #9, in the Callon Street apartment building. Wilson furthered this result may have been skewed by the use of cleaning products the landlord used while cleaning the recently vacated apartment so this unit will be retested in the very near future. Fabel said that AECOM's report from the Second Avenue boring samples of the initial main plume indicates contamination only in shallow soil in the sidewalk area between the street and the main contamination plume. Fabel indicated that additional testing will be done on the Second Avenue right-of-way and street to make sure they have located the outer edge of the plume.

Fabel also reported that a vapor extraction system has been installed on the property on South Second Avenue and to expect billings from Wisconsin Public Service for its operation.

(4) Finance Committee Report & 2014 Audit Update

Witt distributed his Chair report from the March 11, 2015 Finance Committee meeting. He reviewed the WCDA accounts as of February 28, 2015 noting that Associated Bank continues to offer the lowest interest rates and that deposits held at Associated have been reduced by approximately \$125,000 since February 2014. In an effort to improve efficiencies, the finance committee suggested that staff consider reducing the number of financial institutions it uses from six down to four. Witt then gave an update on the WCDA's open Capital Fund grants stating

that the bulk of the remaining 2013 grant will be used for the scattered site garage modernization project and said the obligation and expenditure deadlines for the 2014 grant are well within HUD compliance. He furthered that although the 2015 grant has been awarded, HUD has not yet released the funds in the online LOCCs system.

Witt said the Committee then reviewed the 2014 fourth quarter financial statements and summaries of the WCDA's budgeted programs and further reviewed the items of note contained in his report. He said there was some uncertainty relative to \$53,750 in accrued interest revenue reflected in the financials. Noel said that Hawkins Ash explained that the bulk is from interest accrued on the \$2,500,000 and the \$750,000 project loans to RVT LLC. Noel said she also questioned whether there would actually be an exchange of money relating to the accrued interest and was told that it is dependent on the WCDA's tax credit agreements and cash flow. Werth is checking with Gorman & Company for clarification and will report further next month.

Witt stated that the WCDA is expecting another payment from Gorman & Company relative to the Kannenberg Plaza project. Werth said she is working closely with Gorman but said that a 2015 payment would not be determined until Gorman completes their year-end.

Witt reported that the RVT LLC audit was completed in January and an unqualified opinion was received. He said the RVT LLC 2014 audit and tax return were submitted to NEF by their February 28, 2015 deadline. Witt said that Schenck will be returning to complete the WCDA's audit in late April.

(5) Riverview Terrace Updates

Werth discussed some improvements that Riverview Terrace will need within the next few years which may include painting, a new roof, furniture replacement and staff kitchen updates. She said there is also the possibility of expanding the dining room to better suit the needs of the facility and replace the aging atrium. Werth stated that she will pursue having an outside source assess the needed improvements and suggested that we could possibly use our unrestricted funds as a loan. Werth feels that by updating the building we will remain competitive in the assisted living community. Napgezek questioned whether a cost comparison was done on the services we offer compared to other facilities. Werth stated that there are no facilities like Riverview Terrace within the Wausau area. Wilson asked if this could be a potential tax credit project. Werth said she will gather more information on the scope of work and the potential cost relative to making these improvements.

Werth reported that our service contract with VNA will expire in January 2016 and stated that and she will prepare and submit an RFP for services by June, 2015.

(6) Operational Issues and Current Activities

- **Occupancy Overview** – Birkenmeier stated that occupancy for the Scattered Sites, Riverview Towers, and Riverview Terrace is at 97%. She said that we continue to be proactive in filling vacancies.
- **Scattered Sites Project** – Werth gave an update on the garage modernization project. She reiterated that Becher-Hoppe is assisting the WCDA and reported that after reviewing bids from Finnegan Construction and JAS Construction, Finnegan Construction was the lowest responsive, responsible bidder. Werth said she will sign the contract with Finnegan on March 27, 2015, which carries a proposed completion date of June 12, 2015.

- **Commissioner Witt Re-Appointment** – Werth was pleased to report that Andy Witt was re-appointed by the Mayor for another term as a commissioner for the WCDA.
- **Frerks DOJ Complaint Update** – Wilson gave an update on the Frerks DOJ complaint that was filed against Werth. He read an excerpt from a letter received on February 20th stating that the DOJ will take no further action and HUD has found no merit relative to the complaint. Wilson said Frerks is allowed the opportunity to take action to federal court within two years.

(8) Adjourn

Napgezek moved to adjourn, Gisselman seconded. Meeting adjourned.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Russ Wilson", written in a cursive style.

Russ Wilson
Chairperson