COMMUNITY DEVELOPMENT AUTHORITY

MINUTES

08/27/19

MEMBERS PRESENT: Andy Witt, Gary Gisselman, Robert Reinertson, Sarah Napgezek, Tom Neal, Rachael Hass, David Welles

MEMBERS ABSENT:

OTHERS PRESENT: Christian Schock, Betty Noel, Juli Birkenmeier, Brian Kowalski, City Pages, Megan Stringer, Wausau Daily Herald, Pat Peckham, Alderman District 1, Wendi Boehnen, Nonprofit Arise Bakery, Mike Leischner, WSAU Radio

(1) Call Meeting to Order
Meeting was called to order at 12:03 pm at 550 E Thomas Street, Wausau, Wisconsin.

(2) Public Comment
None

(3) Approval of Minutes from 6/25/19
Reinertson made a motion to approve the minutes from 6/25/19. Hass seconded. Motion was approved unanimously.

(4) Introduction of CDA Staff
This agenda item was tabled for a future meeting.

(9) Discussion and Possible Action on the Acquisition of the Ponderosa Motel Property from Marathon County – 2101 Grand Avenue, Wausau
Schock stated that the WCDA’s redevelopment committee previously discussed the blighted property at 2101 Grand Avenue and considered it to be an advantageous acquisition for the WCDA. He reviewed the agreement of sale prepared by Scott Corbett, Marathon County Corporate Counsel. The negotiated acquisition price of $52,567.12 is comprised of the 2012-2018 unpaid property taxes/special assessments and the costs associated with the Phase I and Phase II environmental assessments and property appraisal. Schock stated that when the property is eventually sold, any proceeds in excess of the purchase price would be split between the County and the WCDA. Witt asked if reference to the City of Wausau within the agreement would be changed to the WCDA. Schock confirmed that the agreement would be changed accordingly. He furthered that once the WCDA obtains ownership of the property, an RFP process for property redevelopment will begin. Schock said that Community Development Block Grant (CDBG) funds would be used for both acquisition and demolition of the property. Gisselman reiterated that the RFP would be for the vacant lot, post demolition, and questioned its potential use. Schock explained that the property could be used for affordable housing or as commercial property and reported that there has already been expressed interest. Gisselman asked if it could be used as a potential site for adding to the WCDA’s low income housing inventory. Schock confirmed that to be a viable option. Reinertson expressed concern that commissioners were not provided the environmental assessments completed on the property. Schock explained that Marathon County had completed Phase I and II environmental assessments and the reports had been reviewed by CDD staff. Reinertson, Welles and Napgezek expressed interest in reviewing both environmental assessments and any supporting documentation before proceeding with acquisition efforts. Napgezek also requested for a defined map of the property. Schock stated that he would forward the requested environmental assessments to the full board for review prior to the next meeting.
(10) CLOSED SESSION pursuant to 19.85(1)(e) of the Wisconsin Statutes for deliberating or negotiating the purchase of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session: for the Acquisition of the Ponderosa Motel Property from Marathon County - 2101 Grand Avenue, Wausau
No action taken on this agenda item as it was not necessary to go into closed session.

(11) RECONVENE into Open Session to take action on Closed Session item, if necessary
No action required on this agenda item.

(12) Discussion and Possible Action on Authorizing the Sub-Recipient Agreement with the City of Wausau for the Ponderosa Motel Property – 2101 Grand Avenue, Wausau
Schock explained that the agreement contains standard HUD language relative to using CDBG funds. He furthered that the agreement explains the appropriate uses for the property such as job creation, affordable housing and businesses for low-to-moderate income individuals. Schock stated that if the WCDA does not fulfill the agreement requirements, the CDBG funds used for the acquisition will need to be repaid to the CDD at the appraisal value. Schock confirmed that $100,000 would be sufficient to cover the acquisition and demolition costs. Napgezek asked if there is a time frame or deadline for redevelopment. Schock stated that there is no time restriction associated with repurposing the property.

(5) Consideration and Possible Action on Resolution # 19-004 Administrative Plan Update – HCV Program and Riverview Towers, LLC
Noel explained that the WCDA is required to secure Board approval on revisions made to the Administrative Plan, which is applicable to the operation of its Section 8 Housing Choice Voucher Program, Riverview Terrace, and Riverview Towers LLC. Noel gave a brief overview of the updates and reiterated that the WCDA subscribes to policy update services from Nan McKay & Associates to ensure that all policies remain consistent, current and compliant with HUD regulations. She sought board approval to submit the Administrative Plan revision to HUD’s Milwaukee Field Office for retention in their files. Neal moved to approve Resolution 19-004. Napgezek seconded. Motion carried on a roll call vote 7-0.

(6) Consideration and Possible Action on Resolution # 19-005 Admissions and Continued Occupancy Policy (ACOP) Update – Scattered Sites
Noel explained that the WCDA is also required to have Board approval for any revisions made to the Admissions and Continued Occupancy Policy (ACOP), which is applicable to the operation of its Public Housing Program. Noel reviewed the revised sections and sought board approval to submit the revised ACOP to HUD’s Milwaukee Field Office for retention in their files. Welles moved to approve Resolution 19-005. Hass seconded. Motion carried on a roll call vote 7-0.

(7) Finance Committee Report
Witt provided his Chair report from the August 21, 2019, Finance Committee meeting and reviewed the WCDA’s investment sheet as of June 30, 2019. He reported that there were no changes and all accounts are earning a consistent 2.49% interest rate.

Witt reviewed the Capital Fund Program (CFP) grant summary stating that although the 2017 grant reflects a remaining obligation balance of $26,092, Noel did meet the August 15, 2019, obligation deadline by reallocating the remaining funds to three additional roof replacements at the scattered sites properties. He noted that those funds were originally intended for a concrete repair project but were reallocated when, due to a lack of bidding interest, the WCDA was forced to postpone that project to 2020. Witt then reviewed the 2018 grant of $69,203 and the 2019 grant of $71,905 reporting no activity to date. Witt concluded stating that the obligation and expenditure deadlines for all three grants are in full compliance.
Witt gave an overview of the Live-It-Up Wausau program stating that the WCDA’s pledged loan contribution of $250,000 has been fully disbursed and reported that, to date, the WCDA has received approximately $3,900 in loan repayments. Witt reiterates that the WCDA agreed to accept a $100,000 forgivable loan from the Judd S. Alexander Foundation and confirmed receipt of those funds, which are now available to program participants.

Witt then reviewed the second quarter financial statements and summaries for the WCDA’s budgeted programs as well as the financial statements and summaries for Riverview Towers LLC., and further reviewed the items of note contained in his report.

Witt reported that the finance committee reviewed an August 2019 Procurement Policy update which incorporates changes allowed by HUD’s Office of Management and Budget. He reported that the revision allows for the WCDA’s micro purchase threshold to increase from $2,000 to $10,000 and the small purchase threshold to increase from $100,000 to $250,000. He furthered that staff also attended recent training to ensure procurement policy compliance. Witt stated that the committee recommends approval of the August 2019 Procurement Policy revision to the full board.

(8) Consideration and Possible Action on Resolution #19-006 Procurement Policy Revision
Noel gave a brief overview of highlighted revisions made to the WCDA’s Procurement Policy. She explained that a policy update was prompted by statutory changes made to the micro-purchase and the simplified acquisition thresholds for financial assistance. Noel said the increased thresholds will streamline the WCDA’s purchasing processes and allow maximum flexibility for grant recipients. Welles made a motion to approved Resolution #19-006 Procurement Policy Revision. Napgezek seconded. Motion carried on a roll call vote 7-0.

(13) Operational Issues and Current Activities
Occupancy Overview – Noel reported 99% occupancy at Riverview Towers, 89% at Riverview Terrace and 96% at the Scattered Sites.

Capital Improvement Projects Update – Noel provided an update on the 2019 capital improvement projects stating that the Riverview Terrace boiler and chiller replacement was completed in early August. She reported that the scattered sites roof replacements are progressing and expects project completion in late October. Noel reiterated that the scattered site concrete repair project has been delayed until next year.

RVT LLC Management Agreement Renewal – Noel reported that National Equity Fund (NEF) has agreed to a renewal of the Management Agreement for Riverview Towers, LLC. She said the term of the Agreement extension shall be for a period of three years, commencing on September 1, 2019 and expiring on August 31, 2022.

Adjournment

Respectfully Submitted,

Andy Witt
Chairperson