

MINUTES
REDEVELOPMENT AUTHORITY OF THE CITY OF GREEN BAY
Tuesday, October 13, 2015
City Hall, Room 604
1:30 p.m.

MEMBERS PRESENT: Harry Maier, Chair; Jim Blumreich, Joe Moore, Matt Schueller, Tom Weber

MEMBERS EXCUSED: Gary Delveaux, Melanie Parma

LIAISON REPRESENTATIVES PRESENT: Jeff Mirkes, Leah Weycker

OTHERS PRESENT: Kevin Vonck, Cheryl Renier-Wigg, Krista Cisneroz, Billie Jo Horsens, Kevin King, Jim Mueller, Joshua Schwalbe, Robert VanDenLangenberg, Scott Schoeneman, Ald. David Nennig, Noel Halvorsen

APPROVAL OF AGENDA:

Approval of the agenda for the October 13, 2015, meeting of the Redevelopment Authority.

A motion was made by J. Blumreich and seconded by T. Weber to approve the agenda for the October 13, 2015, meeting of the Redevelopment Authority. Motion carried.

APPROVAL OF MINUTES:

Approval of the minutes from the September 8, 2015, regular meeting of the Redevelopment Authority.

A motion was made by M. Schueller and seconded by Ald. J. Moore to approve the minutes from the September 8, 2015, regular meeting of the Redevelopment Authority. Motion carried.

COMMUNICATIONS:

None.

OLD BUSINESS:

None.

NEW BUSINESS:

1. Appoint Kevin Vonck as Interim Secretary/Executive Director.

A motion was made by Ald. J. Moore and seconded by J. Blumreich to appoint Kevin Vonck as Interim Secretary/Executive Director. Motion carried.

2. Request to use Neighborhood Enhancement funds to reimburse CDBG funds for the assessed value of 1141 Chicago Street.

C. Renier-Wigg explained that this item also ties in with Item #3. The RDA has purchased some parcels using CDBG funds. A requirement with that is that they be sold to someone of low- to moderate-income. Through the New Homes In Your Neighborhood program we want to get properties back on the tax rolls and are encouraging new home construction. There is an interested party that is not low- to moderate-income that would like to build at 1141 Chicago Street. Neighborhood Enhancement funds need to be used to reimburse the CDBG program for those funds to enable disposition of the site to the new owner.

A motion was made by Ald. J. Moore and seconded by M. Schueller to use \$15,000 of Neighborhood Enhancement funds to reimburse CDBG funds for the assessed value of 1141 Chicago Street. Motion carried.

3. Request to use \$20,000 of Neighborhood Enhancement funds and to deed 1141 Chicago Street to Chad and Andrea Longley under the New Homes in Your Neighborhood Program.

C. Renier-Wigg explained that part of the Neighborhood Enhancement funding allocation is to encourage building on in-fill sites owned by the RDA. The New Homes In Your Neighborhood program is set up to provide a \$20,000 incentive grant as well as deeding the lot to the new owner. Included in the Neighborhood Enhancement funding, there is an allocation of \$300,000 for the New Homes In Your Neighborhood program.

B. Horsens indicated that the Longley's were granted an option on the site in July. The design plans were reviewed for the 4-bedroom, 3-1/2 bath, 2,500 sq. ft. house. The appraised value is approximately \$190,000, which is why the \$20,000 incentive grant is being offered as well as deeding the lot to them. If this is approved, the owner is ready to start building tomorrow.

M. Schueller asked about the conditions on the \$20,000 forgivable second mortgage. B. Horsens indicated that once they receive an occupancy permit, the mortgage will be satisfied. They have one year from the date of the development agreement to get the occupancy permit. This provides protection in the event the build doesn't get finished.

A motion was made by T. Weber and seconded by J. Blumreich to use \$20,000 of Neighborhood Enhancement funds and to deed 1141 Chicago Street to Chad and Andrea Longley under the New Homes In Your Neighborhood Program for construction of a single family home. Motion carried.

4. Request to use \$20,000 of Neighborhood Enhancement funds and deed 327 S. Quincy Street to Integrity Home Builders under the New Homes in Your Neighborhood Program.

B. Horsens stated that Integrity Home Builders was interested in building on the 327 S. Quincy Street lot and was granted an option. Their plans and financing are in place. They propose to build a 1,500 sq. ft. house with 3-bedrooms, 2-baths, and 2-stall garage. The appraised value is \$165,000. Once the house is sold to an owner-

occupant, the mortgage will be satisfied. The development agreement allows one year to complete the house and they will try to sell it as soon as they can.

A motion was made by T. Weber and seconded by J. Blumreich to use \$20,000 of Neighborhood Enhancement funds and to deed 327 S. Quincy Street to Integrity Home Builders under the New Homes In Your Neighborhood program for construction of a single family home. Motion carried.

Ald. J. Moore disclosed that both Seth Lenss and Integrity Home Builders are accounts of his, but he won't benefit financially unless they are awarded and win a bid.

5. Request by Robert Stein, 817 Elmore Street, for consideration of a short sale, and reduction of his loan repayment.

K. King stated that Mr. Stein received a HILP loan in 2006 for \$25,107.00. His house was for sale over the summer, and he received an offer that includes the sale price of \$104,900 plus \$3,000 in closing costs to be paid by the Steins. Proceeds will be \$21,264.00. He is asking for forgiveness of the balance as a condition of his repayment. Staff recommends that we satisfy the loan in the amount of \$25,107.00 with the payment of \$21,264.00 and enter into a payment plan for the balance of \$3,843.00.

Ald. J. Moore asked for clarification that the home was sold to a private owner and recommended that the loan repayment be interest free.

A motion was made by J. Blumreich and seconded by Ald. J. Moore to approve the short sale and satisfy the HILP loan in the amount of \$25,107.00 with the payment of \$21,264.00, then enter into an interest free payment plan for the shortfall of \$3,843.00. Motion carried.

6. Request by NeighborWorks Green Bay for allocation of up to \$49,000 of HOME funds and transfer title of 1168 E. Walnut Street for the rehabilitation and sale to an owner occupant.

K. Cisneroz stated that 1168 E. Walnut Street was purchased through the Neighborhood Initiative Grant. NeighborWorks submitted a proposal to rehab the property to sell to a low- to moderate-income homebuyer. Their proposal has a gap of \$49,000 and they are asking for that to be subsidized with HOME funds designated for the CHDO (Community Development Housing Organization). Their proposal also requests that any proceeds above and beyond the costs for the rehab and sale to be split 50/50 between NeighborWorks and the RDA. It was noted that per HOME regulations, any proceeds must be used on another HOME eligible activity.

Discussion followed regarding the proposal submitted by NeighborWorks. T. Weber questioned the difference between project costs and project related costs and if there was an assessment of their cost projections based on improvements.

N. Halvorsen noted that there was a walk-through of the property and a meeting with staff.

K. Cisneroz stated that at the end of the project, NeighborWorks will submit the actual expenditures.

A motion was made by T. Weber and seconded by M. Schueller to approve the allocation of HOME funds not to exceed \$49,000 and transfer title of property at 1168 E. Walnut to NeighborWorks Green Bay for rehabilitation and sale to owner occupant. Motion carried.

7. Request to purchase the following properties using Neighborhood Enhancement Funds:

- 719 N. Broadway
- 1728 Carriage Court
- 828 Lark Street
- 1343 E. Walnut Street

C. Renier-Wigg provided an overview of each property.

719 N. Broadway – This property is located next to a NeighborWorks rehabbed home that is part of the Neighborhood Stabilization Program. The property is bank-owned and in very poor condition. There is an accepted offer of \$20,000.00. The lot is valued at \$15,600.00. The property has some nice features and it hasn't been determined yet if it could be rehabbed or will need to be torn down.

1728 Carriage Court – This property is a tax foreclosure owned by Brown County and would require significant interior and exterior work. The structure of the property is good, and it is in a well established neighborhood. The property can be purchased for the back tax amount of \$20,989.20. The land value is \$39,100. The recommendation would be to work with a developer to rehabilitate the property.

828 Lark Street – This property is a tax foreclosure owned by Brown County. It is in a well maintained neighborhood. The interior of the property needs work, i.e. flooring and cabinets, which could be done in-house. The property also has a brand new garage. The property can be purchased for the back taxes of \$10,444.00.

It was noted that Brown County is required to give the municipality the first chance at the property. If the municipality isn't interested in the property, it goes to an on-line auction.

1343 E. Walnut Street – This property is a tax foreclosure in the Walnut Street corridor, adjacent to the vacant RDA-owned land across from East High. The property would be razed to be included with the adjacent land for a potential development. There have been discussions with Habitat for Humanity and it is anticipated that they may come forward in November with a proposal and a request for an option on the land. The property can be purchased for the back taxes of \$8,699.18.

A motion was made by Ald. J. Moore and seconded by M. Schueller to purchase 719 N. Broadway for \$20,000.00; 1728 Carriage Court for \$20,989.20; 828 Lark Street for

\$10,444.00; and 1343 E. Walnut Street for \$8,699.18, using Neighborhood Enhancement Funds. Motion carried.

8. Disposition of excess KI Convention Center furniture.

K. Vonck indicated that furniture has been replaced as part of the expansion and this is the extra furniture. The Hyatt is asking the RDA what to do with the furniture. The Parks Department is currently in the process of looking for furniture to put in the park shelters as well as the Bay Beach pavilion. The picnic tables currently in the shelters would be moved outside to meet increased demand. They would be able to use all of this excess KI furniture, which includes 390 chairs and a few tables.

A motion was made by Ald. J. Moore and seconded by M. Schueller to approve the donation of excess KI Convention Center furniture to the City of Green Bay Department of Parks and Recreation. Motion carried.

BILLS:

9. Acceptance of financial report and check register as provided.

A motion was made by Ald. J. Moore and seconded by J. Blumreich to approve the financial report and check register as provided. Motion carried.

INFORMATIONAL:

10. Director's Report and Project Updates.

C. Renier-Wigg introduced Ken Rovinski as the new part-time Neighborhood Development Specialist for Neighborhood Enhancement funds.

K. Vonck provided the following updates:

- KI Convention Center expansion project is in the process of being closed out, making sure everything is up to specifications, which includes finalizing and completing outstanding change orders. So far the change orders have been at or under estimated amounts. They are still waiting on a few exterior fiberglass panels, which are on the way. A public open house is being planned for November 2, 2015, at 2:00 p.m.
- Details are being worked on for the execution of the Brennan lease for the Greenfield site.
- The Mayor's Chief of Staff has sent a letter to our Congressional representatives regarding the potential cutting of HOME funds that is being discussed.
- A response was received to the RFP for the Kellogg/Chestnut site and staff is working with that party to bring something forward in November.
- An update was provided regarding the Barracks project. Staff has been working through details with the developer.

J. Mueller provided an update on the Northland Hotel. The project is moving forward well.

J. Mirkes provided the following updates:

- The Automobile Gallery, located in the Denil Cadillac building, which had been vacant for 20 years, is nearing completion. There are events scheduled for later this year.
- Wells Fargo has opened their office in the Frankenthal Building, after looking for three plus years for the right downtown location. The space they are leasing had been vacant for approximately 14 years.

There being no further business, the Chair ruled for adjournment at 2:00 p.m.