

Minutes of the
HOME Board Meeting
February 16, 2017

Members Present: Rock Brandner, Ron Buchanan, John Bulawa, Christine Howard, Kathleen Schilling, Duane Paulson, Dick Schultz, Maria Watts, Mike Wineke

Staff: Kristin Silva, Lori Rutzinski and Christina Brockish, Waukesha County; Debbie Narus, Wisconsin Partnership for Housing Development

Excused Absence: Joseph Birbaum, John Kannard, Jay Schreurs, Jay Shambeau

Guests: Kevin McDonell, Commonwealth Development Corporation; RoxAnne Witte, Jefferson County Economic Development Consortium; Diane McGeen, Habitat for Humanity; Kim Haines, Waukesha County Corporation Counsel

- I. The meeting was called to order by Christine Howard, Board Chair, with a quorum of the Board present at 9:00 a.m.
- II. The Board Chair led the Pledge of Allegiance.
- III. On a motion by Dick Schultz and seconded by Ron Buchanan, the minutes from the January 19, 2017 HOME Board meeting were unanimously approved with a correction to item VI: Ron stated it should read Movin' Out – Waterloo instead of Globe Apartments in Watertown.
- IV. No Public or Staff Comments
- V. The WI Partnership Balance Fund Balance Report was reviewed. Kristin Silva stated that staff will meet with Waukesha County's Department of Administration to reconcile the unallocated line item.
On a motion by Ron and seconded by John Bulawa, the Board unanimously approved the Fund Balance Report.
- VI. Kevin McDonell from Commonwealth Development Corporation was present to discuss the \$415,000 HOME loan that was approved at the January 19, 2017 HOME Board meeting. After discussing with Kristin, Kevin requested a 1% loan with a 30-year amortization deferring the loan during construction with a balloon payment at year 15. The affordability period will remain at 30 years to meet WHEDA requirements. Duane suggested a payoff with interest would be due if there is a change in ownership prior to the 15-year payoff. Kristin mentioned that 10% of the loan will be held back until full occupancy is reported.
On a motion by Kathleen Schilling and seconded by Maria Watts, the Board unanimously approved the \$415,000 loan to Commonwealth Development Corporation with the terms discussed above.
- VII. Diane McGeen was present from Habitat for Humanity to request a land re-plat for the properties purchased using \$158,000 in HOME funds. The project was approved to construct three affordable homes to sell to low-income families resulting in the HOME contract number HM16055. Diane explained that this area is part of a larger redevelopment vision; she provided a certified survey map showing a potential division of the property to include three 50ft by 150ft

lots for the three affordable homes with an outlot that is 35,374 sq. ft. Diane mentioned that there may be a group of people putting something together to develop on the outlot as part of the larger redevelopment plan. She also suggested this piece of land could be sold to the City or another developer in the future. Christine and Duane Paulson asked if there were any solid plans for the outlot and Diane indicated there were no solid plans yet.

On a motion by Ron and seconded by Dick, the Board approved the certified survey map contingent upon Waukesha County's Corporation Counsel and HUD approval. Habitat for Humanity cannot re-plat the land unless there is a final HOME Board approval. John Bulawa was opposed to the motion. Kristin will contact HUD to discuss this land re-plat but cautioned that it could be considered as land-banking which is not allowed under the HOME rules.

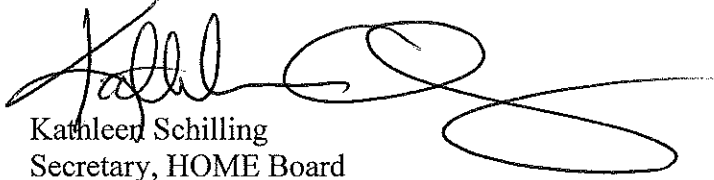
VIII. There are outstanding loans from when CHI administered the HOME Program that have 5% simple interest accruing. When the loans were originated, there was no end-date on the interest accrual so homeowners are learning how much interest they will be charged when they sell their home. In one instance, the loan is \$3,800 and the accrued interest is an additional \$3,400. Kristin is asking the Board to consider forgiving the interest on the remaining ten loans. The homeowner will be responsible for the principle and the interest would be forgiven. The total amount of interest to be forgiven is \$34,683.

On a motion by Ron and seconded by Kathleen, the Board unanimously approved forgiving the interest on the ten HOME loans that are still accruing interest.

IX. Debbie Narus from Wisconsin Partnership for Housing Development (WPHD) reported 58 DPA loans, 11 Purchase Rehab loans and 10 Home Rehab loans were closed in 2016. Kristin has been working with WPHD and will provide a 1998-2016 retrospective showing home loans, DPA, and purchase rehab loans made in each county. Maria Watts suggested a press release to highlight this retrospective showing the positive impacts that the HOME program has had in our area.

X. On a motion by Ron and seconded by Duane, the Board unanimously approved the meeting adjourned at 9:53 a.m.

Respectfully submitted,



Kathleen Schilling
Secretary, HOME Board