

Minutes of the
HOME Board Meeting
July 19, 2018

Members Present: Joseph Birbaum, Christine Howard, John Kannard, Russell Kutz, Kathleen Schilling, Jeffrey Schleif, Jay Schreurs, Peter Sorce, Maria Watts, Mike Wineke

Staff: Kristin Silva, Lori Rutzinski and Christina Brockish, Waukesha County

Excused Absence: Duane Paulson, Jay Shambeau

Guests: RoxAnne Witte, Jefferson County Economic Development Consortium; Will Rutherford, Horizon Development Group, Inc.

- I. The meeting was called to order by John Kannard, 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 Peter Sorce and seconded by Joe Birbaum, the minutes from the June 21, 2018 HOME Board meeting were unanimously approved.
- IV. Kristin Silva submitted the 2018 Annual Plan to HUD. She also shared that the court case between the general contractor and Village Pointe Commons has settled, she will share more information as it becomes available.
- V. Kristin updated the Board on the core programs for WI Partnership for Housing Development: there is approximately \$149,208 available for Down Payment Assistance (DPA), \$167,695 available for Rehab, and \$42,000 available for Purchase/Rehab.
- VI. The 2019 recommended HOME allocation was projected based on actual 2018 grant received and presented as follows:

Grant	\$1,410,331
Projected Program Income	<u>\$ 200,000</u>
	\$1,610,331
Administration	<u>\$ -161,033</u>
	\$1,449,298
15% CHDO Reserve (required)	<u>\$ -211,550</u>
	\$1,237,748
Housing Development	<u>\$ -437,748</u>
	<u>\$ 800,000</u>
Core Programs	
Down Payment Assistance	\$ -400,000
Housing Rehabilitation	\$ -225,000
Purchase/Rehabilitation	<u>\$ -175,000</u>
Total	<u>\$ 800,000</u>

On a motion by Peter and seconded by Christine Howard, the Board unanimously approved the 2019 recommended HOME allocation

- VII. Horizon Development Group, Inc. submitted an application for \$440,000 to build Spring Harbor Senior Apartments which will have 40 units; 11 of them will be HOME units with 8 units at or below 30% area medium income (AMI) and 3 units at or below 50% AMI. Will Rutherford shared a presentation outlining the project. The application was reviewed by the Executive Committee of the HOME Board and was given a score of 82 out of 100.

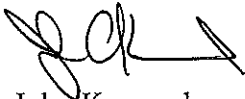
On a motion by Christine and seconded by Joe, the Board unanimously approved a \$440,000 loan from the unallocated entitlement line item for 15 years effective two years after construction begins. The loan will be interest-free for the first two years and then 2% annual interest with annual payments of interest and principle due each year subject to positive cash flow. There will be a balloon payment due at the end of the 15-year loan.

- VIII. Impact Seven, Inc. submitted an application for \$400,000 to renovate two adjacent 14-unit housing properties in Mukwonago. Eleven units will be HOME units with an income restriction of 30% AMI. The application was reviewed by the Executive Committee of the HOME Board and was given a score of 90 out of 100.

On a motion by Maria Watts and seconded by Kathleen, the Board unanimously approved a 30-year \$400,000 loan at 2% interest with annual payments of interest only after construction is complete. \$336,239.70 will come from the CHDO line item, and \$63,760.30 from the unallocated line item.

- IX. On a motion by Peter and seconded by Jeffrey Schleif, the Board unanimously approved the meeting adjourned at 9:54 a.m.

Respectfully submitted,



John Kannard
Chair, HOME Board