



MINUTES
COMMITTEE #1
REVENUES, DISBURSEMENTS, WATER AND WASTEWATER
December 12, 2019

Committee #1 - Revenues, Disbursements, Water and Wastewater met on Tuesday, December 12, 2019 at 9:00 AM in the Council Chambers, City Hall, 30 West Central Street, Chippewa Falls, WI.

Committee Members present: Rob Kiefer, John Monarski, and Paul Nadreau

Mayor/Other Council Members present: None

Others present: Finance Manager/Treasurer Lynne Bauer, City Planner/Transit Manager Brad Hentschel, Chippewa County Housing Authority Executive Director Jessica Oleson-Bue, Fire Chief Lee Douglas, and City Clerk Bridget Givens.

Call to Order: 9:00 am

- 1. Discuss funding for request to have previous Fire Department Office Assistant return to train new employee. Possible recommendations to the Council.**

Finance Manager/Treasurer Bauer advised this request was approved by Committee #2 contingent upon funding approval by Committee #1. The position has been vacant since October 9, 2019, so there are monies remaining to fund the request.

Motion by Kiefer/Nadreau to recommend Council approve the return of the previous Fire Department Office Assistant to train the new employee. **All present voting aye, motion carried.**

- 2. Discuss updated agreement with Chippewa County Housing Authority for CDBG Administration. Possible recommendations to the Council.**

City Planner/Transit Manager Hentschel introduced Jessica Oleson-Bue, Executive Director of the Chippewa County Housing Authority (CCHA). The CCHA administers the Community Development Block Grant (CDBG) revolving loan fund on behalf of the City. A letter was recently received from the State indicating that the City could choose to continue to have their funds managed locally, or turn the funds over to the State for distribution. Oleson-Bue provided an overview of how the funds have been expended within the City over the past year.

The Committee then discussed an updated agreement for CDBG Administration. Hentschel stated that there has been a slight increase in charges to administer the program; however, there is no impact on the general fund budget as the fees are payable through CDBG funds.

Motion by Kiefer/Nadreau to recommend Council approve the updated agreement with Chippewa County Housing Authority for CDBG Administration and continue the program locally. **All present voting aye, motion carried.**

- 3. Closed Session**

Motion by Monarski/Nadreau to go into Closed Session under Wis. Stats. Sec 19.85(1)(e) for "deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting public business with competitive or bargaining implications" to:

- a. **Discuss labor negotiation issues and strategies; and to include the Committee/Council Members, Mayor, Bauer and Givens; may return to Open Session.**

Roll Call Vote: Aye – Monarski, Nadreau, Kiefer. Motion carried.

The Committee discussed Item (a) above.

Motion by Nadreau/Monarski to return to Open Session. All present voting aye, motion carried.

4. Adjournment

Motion by Kiefer/Nadreau to adjourn at 9:39 am. All present voting aye, motion carried.

**Minutes submitted by,
Lynne Bauer, Finance Manager/Treasurer**

AGREEMENT FOR THE ADMINISTRATION OF THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

This serves as an agreement between **CITY OF CHIPPEWA FALLS (CITY)** and the **CHIPPEWA COUNTY HOUSING AUTHORITY (CCHA)**. When a signed copy of this agreement is returned to CCHA, the two parties will have mutually agreed that CCHA will continue to administer the CITY Community Development Block Grant Housing Program revolving loan funds (CDBG-RLF) from the Wisconsin Department of Administration, Division of Housing. This agreement is in effect beginning 1/1/20 and will remain in effect until either party provides a written notice 60 days in advance to either alter or terminate the agreement.

The services to be performed by CCHA in the administration of the funds are listed in detail in the attached documents. For said administrative services the CITY will pay CCHA a fee of 17% of each rehab loan that is processed. Other services will be charged according to the attached schedule and will be performed on written request from the CITY. Audit costs will be the responsibility of the CITY.

The CITY will be responsible for the disbursement of all CDBG funds and to maintain the associated record keeping. The CITY must furnish to CCHA copies of financial records in a timely manner as required to effectively administer the program including copies of the checking account statements, deposits and expenditures. CCHA will maintain administrative records and individual project files as required by the State of Wisconsin, Division of Housing at its office. Upon satisfaction of a mortgage, the individual project files will be returned to the CITY.

Special Provisions:

- It is understood and agreed upon by all parties that in its capacity under this agreement CCHA and its employees, agents and officers are performing on an independent contractor basis and in no event shall any of their agents, employees or officers be considered to constitute agents, employees, or officers of the CITY.
- CCHA shall not assign, transfer or subcontract this agreement without the approval of the CITY.
- CCHA shall furnish full workman's compensation coverage for all CCHA employees.
- CCHA shall carry liability insurance and bond insurance.

- CCHA is the administrator of the Housing authority functions through the West Central Wisconsin CDBG Housing Consortium. CCHA also functions as the designated Housing Authority for the City of Chippewa Falls.

The CITY and CCHA certify that no payment of money or any form of consideration has been offered to or given to a CITY employee for the purpose of procuring this agreement.

Civil Rights Act of 1964: Under Title VI of the Civil Rights Act of 1964, no person shall, on the grounds of race, color or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

Section 109 of the Housing and Community Development Act of 1974: No person in the United States shall, on the grounds of race, color, national origin, sex, age or handicap be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title.

All communications concerning the terms and/or performance under this agreement shall be made to the Housing Authority Executive Director, and communication pertaining to the CITY shall be made to the City Clerk.

Each person signing this agreement personally warrants and represents that he or she is duly authorized and empowered to enter into this agreement.

Dated this _____ day of _____, 2019

Jessica Oleson-Bue, Executive Director
Chippewa County Housing Authority

Date: _____

Greg Hoffman, Mayor
City of Chippewa Falls

Date: _____

**COMMUNITY DEVELOPMENT BLOCK GRANT HOUSING PROGRAM
REVOLVING LOAN ADMINISTRATION**

The following services will be performed as a part of the Community Development Block Grant (CDBG) Program administration. Additional services and the associated fees are specified on the next page. The costs associated with closing a loan such as the inspection fee, abstract update/title search and filing fees are not included in this fee and will be charged to the individual program participants (as a part of the CDBG mortgage).

SERVICES TO BE INCLUDED IN THE 17% FEE

1. Accepting applications, maintaining the waiting list
2. Review and update the existing Housing Policies and Procedures Manual and program forms as needed.
3. Determining income eligibility using third party verifications
4. Verifying ownership of property and investigating title
5. Inspection of properties and writing of repair specifications.
6. Conducting loan committee meetings, presenting applications and preparing and maintaining minutes of the meeting.
7. Submitting the environmental review records to the DOH when necessary.
8. Assisting the applicants in obtaining bids for the approved rehabilitation project if necessary.
9. Preparing and process loan closing documents including mortgages, truth in lending, right of rescission, rehabilitation contracts, lead based paint notification, and owners acceptance of the terms and conditions of the loan, and landlord agreements (if applicable).
10. Recording mortgages, notifying insurance carriers of the mortgage, and notifying the selected contractors of the contract award.
11. Coordinating rehabilitation work with the homeowner and contractor including processing progress payments and final payments. Negotiating disputes between the owners and contractors when necessary.
12. Inspecting completed work, preparing invoices for payments to contractors and delivering to the City for payment.

13. Upon completion of the entire rehabilitation project, send project close out documents to the participant including a copy of the recorded mortgage and a letter reviewing the terms and conditions of the mortgage.
14. Maintaining complete project files according to DOH and audit regulations
15. Maintaining complete individual project financial records according to DOH and audit requirements
16. When property taxes are delinquent, contacting owners and assisting them in developing a plan for bringing the taxes current.
17. Rental property monitoring (if applicable) which includes verification of tenant's income to assure LMI benefit, monitoring rental occupancy at least annually to assure the landlords are complying with the terms of the loan to rent to LMI tenants.
18. Investigating when rehabilitated property is no longer owner occupied, locating the owner and working out a plan to assure repayment of the loan.
19. Coordination of foreclosure which includes notifying the committee of foreclosure action and requesting direction for proceeding, coordination with the municipal attorney, and any action directed by the attorney.
20. Maintaining a record of insurance coverage for each loan, contacting owners when coverage lapses and following through until coverage is obtained.
21. Coordination of mortgage satisfactions which includes drafting the satisfaction and mailing to the clerk for signatures and distribution, closing the loan file and returning to the municipal office.

ADMINISTRATIVE FEES

COMMUNITY DEVELOPMENT BLOCK GRANT HOUSING PROGRAM

Subordination Requests: \$200 fee charged directly to the applicant making the request. Service includes processing each request for subordination including verifying income of the applicant, presenting application to the committee for consideration either at a meeting or through the mail, notifying the applicant of the committee's decision and if approved working with the financial institution on preparation and recording of the documents.

Special Requests: \$200 fee charged directly to the applicant making the request. This service includes presenting requests by applicants to alter the terms of their loan, release property from the mortgage, etc to the loan committee, reporting back to the applicant the committee's decision and coordinating the action with other parties involved such as a lending institution, attorney, etc.