



Agenda
Community Development Block Grant Meeting
Municipal Building, 625 52nd Street - Room 202, Kenosha, WI
Wednesday, August 31, 2016
5:00 pm

Aldersperson Anthony Kennedy, Chairperson
Aldersperson Curt Wilson, Vice-Chairperson
Aldersperson Dave Paff

Committee Member Anita Faraone
Committee Member Ron Frederick
Committee Member Scott Haraty

Call to Order
Roll Call
Citizens Comments

Approval of the Minutes of the Meetings held October 27, 2015, October 28, 2015 and November 3, 2015

1. Elections of Chairperson and Vice Chairperson of Community Development Block Grant Committee. PUBLIC HEARING
2. Resolution by the Mayor - To Amend the 2015-2019 Consolidated Plan for the Community Development Block Grant and HOME Programs (*Public Hearing on the Community Development Needs and Objectives*). PUBLIC HEARING
3. Resolution by the Mayor - To Approve the Proposed HUD Section 108 Loan Guarantee Application in the amount of \$4,713,935. PUBLIC HEARING

Committee Member's Comments

*IF YOU ARE DISABLED AND NEED ASSISTANCE, PLEASE CALL 653-4030 BY NOON
OF THIS MEETING DATE TO MAKE ARRANGEMENTS FOR REASONABLE ON-SITE ACCOMMODATIONS.*

COMMUNITY DEVELOPMENT BLOCK GRANT COMMITTEE
Minutes
October 27, 2015

MEMBERS PRESENT: Alderperson Anthony Kennedy, Alderperson David Paff, Alderperson Curt Wilson, Alderperson Kurt Wicklund, Anita Faraone, Ronald Frederick and Anderson Lattimore

STAFF PRESENT: Anthony Geliche

The meeting was called to order at 5:30 pm by Alderperson Kennedy, roll call was taken.

A motion was made by Ms. Faraone and seconded by Mr. Lattimore to approve the minutes of the August 11, 2015 meeting as written. The motion passed.(Ayes 5, Noes 0)

Tony Geliche, Community Development Specialist, suggested the Committee decide on a time for the Allocation meeting to be held on November 3, 2015. After discussion, it was decided to hold the meeting at 4:15 pm, on Tuesday, November 3, 2015. Also, any additional information that is requested from the Applicants must be to the Department of Community Development & Inspections by 4:00 pm on Thursday, October 29, 2015.

1. Consideration of Proposals for Funding under the 2016 Community Development Block Grant Program

Applicant: City of Kenosha – Public Works
Project: Street Improvements
Request: \$670,795.00

Shelly Billingsley was the representative. The funds would be used to improve the condition of several roads in the City within low to moderate income Census Tract/Block Groups.

Question: Are they listed in order of priority preference?

Answer: Yes, with 26th Avenue being an extension of this year's improvements.

Question: 24th Avenue at 41st Street is really bad, is there a problem getting contingency funds if needed.

Answer: Previously, we've taken funds from the CIP contingency to complete projects.

Question: How secure is the \$180,000 funding from the State?

Answer: We will know shortly, have not had a problem before.

Applicant: Women and Children's Horizons, Inc.
Project: Shelter Facilities – Air Conditioning Improvements
Request: \$40,000.00

Erin Davis was the representative. The funds would be used to address the

replacement of a deteriorating air conditioning system.

Question: There was a wide range on the bids, which one would you chose.

Tony Geliche explained that if awarded funding, the applicant would be required to establish a list of specifications and send it out for bids.

Question: Do you currently have more than one air conditioning system, how old is it?

Answer: There are 3-4 systems, installed before 2007.

Question: Do you know what your energy savings would be?

Answer: No.

**Requested to have WCH obtain: 1) a written estimate of the energy savings for the year, split between the first and second floors; 2) what they currently spend per month.

Question: Why don't you have money set aside for building/air conditioning repairs?

Answer: I wasn't privy to that information, I can only move forward from here.

Applicant: Women & Children's Horizons, Inc.
Project: Legal Advocacy Manager
Request: \$25,000.00

Jessica Krejcarek, Assistant District Attorney and Nicole Porter were the representatives. The funds would be used to connect the victims with a support system and the proper community resources.

Question: Why isn't this Staff under the DA's office instead of a non-profit paying for it.

Answer: There is a limit on what the DA's office can assist the victim with, per State Law.

Question: How many cases are handled per year? Have you heard of this Legal Advocacy Manager in other cities?

Answer: The Assistant DA said last year they did 571 cases; she has not seen this type of assistance in the other municipalities that she worked, but it is invaluable.

Question: How secure are the other grants you are seeking?

Answer: Very secure.

Applicant: ELCA Outreach Center
Project: Help Residents Gain Life-Sustaining Employment
Request: \$22,200.00

Karl Erickson was the representative. The funds would be used to focus on education by building on the Spanish GED Program.

Question: Why are you doing the teaching in Spanish? Other agencies teach English or have classes in Spanish.

Answer: We teach in both English and Spanish. For some it is easier to learn in Spanish, but then they go on to learn English. Our classes are more individualized and are with teachers instead of tutors, not just learning at a computer. Each class is 10 weeks long. We do also partner with Gateway.

Applicant: ELCA Outreach Center
Project: Roof Replacement
Request: \$65,000.00

Karl Erickson was the representative. The funds would be used to repair the roof on their building at 6218 26th Avenue.

Question: Did you know the building would need roof repairs when you purchased it?

Answer: Yes.

A motion was made by Alderperson Wicklund and seconded by Alderperson Wilson to take a recess. The motion passed. (Ayes 7, Noes 0)

A motion was made by Alderperson Wilson and seconded by Mr. Lattimore to reconvene to the meeting. The motion passed. (Ayes 7, Noes 0)

Applicant: Shalom Center-Kenosha County Interfaith Human Concerns Network
Project: Shelter Project - 4313 39th Avenue
Request: \$195,825.00

Lynn Biese-Carroll was the representative. The funds would be used to complete renovations at the new building at 4313 39th Avenue.

Question: What is the capacity of the new facility?

Answer: Approximately 80 beds, with portable walls to do additional beds.

Question: The current building is centrally located, how do you plan to get people to the soup kitchen.

Answer: We are looking to have satellite locations, with the food prepared at this building and catered to other locations.

Question: If you don't receive all the funding, you said the exterior is not a priority. Aren't there things you need to do prior to receiving an Occupancy permit?

Answer: We would use volunteer crews to do the work necessary.

Question: How many people are on your Staff?

Answer: We have 16 full time people.

Question: Do you know of other community that have a shelter like this?

Answer: Almost every community with a population over 50,000 has some type of shelter facility.

Applicant: Shalom Center-Kenosha County Interfaith Human Concerns Network
Project: Introduction to Mental Health/ADOA Assessment & Therapy
Request: \$75,625.00

Lynn Biese-Carroll was the representative. The funds would be used for salary(ies) of the case managers of the Mental Health program.

Question: You selected AMRI when we have other organizations in Kenosha that already provide these services. Maybe you could work with Kenosha Human Development Services or tap into the Medicaid funding to assist these people. I suggest you contact Adelene Greene, Kenosha County, Division of Workforce Development.

Question: If you did not receive funding for the Mental Health, could you do more for the building

Answer: We have an area in the building we were looking to rent out to the group providing these services.

Question: Could this assessment be used to deny services?

Answer: No.

Applicant: Kenosha Human Development Services, Inc.
Project: New Roof at Adult Family Home
Request: \$28,000.00

Byron Wright was the representative. The funds would be used to do roof repairs at 4004 29th Avenue, the adult family home.

Question: How many people are at this home?

Answer: This home has three (3) clients and one (1) staff person.

Question: Is there a chart on what agencies provide mental health services?

Answer: KHDS publishes a resource guide through the Happenings Magazine annually.

Question: What is the building size, this estimate seems expensive.

Answer: It houses four (4) people, approximately double the size of a single-family home. Mr. Geliche provided an image of the property to Alderperson Wicklund.

Applicant: Wisconsin Women's Business Initiative Corporation
Project: Job Title: Business Owner

Request: \$80,000.00

Heather Lux, Katherine Marks and Edgar Espinosa were the representatives. The funds would be used for technical assistance.

Question: Is this money for salaries?

Answer: It is to provide the technical assistance for the clients, this is done by a Staff member.

Question: If clients don't have the money, how do they start the business.

Answer: WWBIC is a certified Community Development Financial Institution (CDFI). We can assist the client with funding.

Question: What check do you do on clients?

Answer: We have them fill out an applicant and provide information, check tax returns and do credit reports.

Question: How many jobs have you created in the past 5 years?

Answer: We have created 50+ jobs.

Question: How many have defaulted?

Answer: Two (2) in the last seven (7) years.

Question: How many Staff do you have?

Answer: Five (5)

Question: Will a person who is behind on their taxes be weeded out, or become ineligible, with your review?

Answer: Yes, after we do our due diligence and ask the necessary questions.

Question: Is your other funding solid? Under Revenue - what is "USER Fees"?

Answer: Yes - not sure on that definition, I will provide for you.

Question: Is this Corporation State-wide?

Answer: Yes, we are the Kenosha Chapter

Question: Do you receive funds from other cities? How do you make sure the funds are not consolidated?

Answer: Yes - the Agreement with the City specifies that we keep the funds separate.

Question: In what ways do you work with KABA?

Answer: We currently have 7 or 8 referrals from KABA.

Question: Your documents show \$414,874 was infused into City's economy with 50 jobs created. Calculated out, that would be \$8,295 per job. Is that a good return?

Answer: Mr. Geliche said HUD supports micro-enterprise opportunities; HUD standard on larger job creation activities would use a dollar amount of \$35,000 per job.

Question: Do you also help people that have financial problems to get back on track?

Answer: Yes.

Applicant: City of Kenosha
Project: Elimination of Blighted Structures
Request: \$100,000.00

Tony Geliche was the representative. The funds would be used to do demolition of dilapidated housing structures.

Question: Are there six (6) more houses.

Answer: Yes, six (6) in addition to the other five (5).

Question: Are you limited to single-family homes?

Answer: We stick to the single-family homes and do the commercial with CIP funds.

Question: Does the City receive any proceeds to re-utilize?

Answer: Most of the properties are not owned by the City. Possible proceeds, from the County when taken from delinquent taxes. Many properties are not buildable lots.

Applicant: City of Kenosha
Project: Program Administration/Comprehensive Planning
Request: \$243,524.00

Tony Geliche was the representative. The funds would be used to offset operating costs for the City.

Public Comments

No public comments

Committee Comments

No Commissioner comments.

Staff Comments

No Staff comments.

A motion to adjourn was made by Mr. Lattimore and seconded by Alderperson Wicklund. The motion passed. (Ayes 7, Noes 0) The meeting adjourned at 8:55 pm

Meeting Minutes Prepared by: Kay Schueffner, Community Development & Inspections

Draft

COMMUNITY DEVELOPMENT BLOCK GRANT COMMITTEE
Minutes
October 28, 2015

MEMBERS PRESENT: Alderperson Anthony Kennedy, Alderperson David Paff, Alderperson Curt Wilson, Alderperson Kurt Wicklund, Anita Faraone, Ronald Frederick and Anderson Lattimore

STAFF PRESENT: Anthony Geliche

The meeting was called to order at 5:30 pm by Alderperson Kennedy and roll call was taken.

1. Consideration of Proposals for Funding under the 2016 Community Development Block Grant Program

Applicant: Kenosha YMCA
Project: Frank Neighborhood Project
Request: \$30,000.00

Patrick Monaco, Cindy Altergot, Pastor Harris and Tiffany Gatlin were representatives. The funds would be used for the Frank Neighborhood Program expansion.

Question: Is this for a new position?

Answer: The money would cover 2 people, 30 hours per week.

Question: Would a portion be used for transportation?

Answer: Yes, for some youth field trips.

Question: How secure are your grants?

Answer: The Frost and Kloss are very secure, the Special Events is an average.

Question: Why did you partner with the YMCA and not the Boys and Girls Club?

Answer: No reason, that's just who we chose.

Question: How many kids do you see weekly?

Answer: About 150-175, I teach them life skills.

Question: Is the Board of Directors for the Frank Project separate from those on the YMCA Board of Directors?

Answer: Yes - we will provide a list for you.

Applicant: Kenosha Area Family & Aging Services
Project: Volunteer Transportation
Request: \$5,000.00

Katie Oatsvall and Barb Tenuta were representatives. The funds would be used to do pay transportation volunteers.

Question: Do the riders pay anything?

Answer: Yes, for 10 miles or less they pay \$4.50 each way, unless they are low income and then they pay \$2.25 each way.

Question: How many drivers do you have?

Answer: Approximately 67.

Applicant: Walking In My Shoes
Project: Street Outreach
Request: \$15,000.00

Jo Wynn was the representative. The funds would be used to link the homeless with immediate emergency shelter assistance.

Question: This is the first year you are asking for funding to pay a part time Staff person.

Answer: Yes.

Question: Are you aware of Bed, Bath and Beyond and the items you may be able to obtain from them?

Answer: Yes, it is usually a timing issue though.

Applicant: Urban League of Racine and Kenosha
Project: Kenosha Hispanic Center Program
Request: \$30,000.00

Yolanda Adams and Nikki Payne were the representatives. The funds would be used to for the Hispanic Center Program.

Question: This is for a salary, where would this person be?

Answer: It would be a position at the Kenosha site, 30 hours per week.

Question: How many Staff do you currently have?

Answer: We have 2 full time and 2 part time people.

Question: You partnership with St. Marks, how?

Answer: We can't serve un-documented people, so we refer them to St. Marks. Also, St. Marks sends us documented people to help.

Question: You show that you serve 100 unduplicated people, that equals to approximately \$300 per person. Is that a good return for your money?

Answer: Some people need more services than others, so that is fair.

Question: Your Mission Statement states that you will provide primarily for African Americans. How do you balance this request to assist the Hispanic population with the National office?

Answer: We targeted the African American population, but the demographics has changed. I informed the National office what I was looking to do and they approve.

Applicant: Kenosha Literacy Council
Project: Literacy at Work
Request: \$8,500.00

Cheryl Hernandez, Cassie Christianson, Vince Incandela and Ashleigh Henrichs were the representatives. The funds would be used to for testing materials and Staff time.

Question: What is the difference between your program and the Rosetta Stone program?

Answer: We have people working with people, not just computer based.

Question: Your people are primarily learning English, do they learn other languages?

Answer: Yes, but we do most of our learning in English. Some clients need basic reading and writing skills.

Question: Talk about the fund raising.

Answer: We have an adult Spelling Bee and also Laps for Literacy, which is a 5K run.

Question: You have 214 volunteers, how many Staff?

Answer: Two - Cassie and myself.

Question: How many of your clients got jobs after your classes.

Answer: Approximately 36% get a job, improve their current job or start college classes.

Applicant: Boys & Girls Club of Kenosha
Project: Lincoln Outpost: Be Great-Participate
Request: \$46,313.00

Kathy Holland, Dennis Bedford, Darryl Anderson, Crystal Miller and Jackie Schmit were there representing the Club. The funds would be used to expand the outreach service at the Lincoln Park neighborhood.

Question: You have 6 part time Staff members, would this be additional Staff

Answer: The money would be for the 6 part time and part of Dennis's wage.

Question: The City paid off \$3 million on your mortgage and now you are still asking for more money.

Answer: This is a needed project to help the kids.

Question: You do "pre" and "post" testing on the kids, explain.

Answer: We ask them a series of questions to test their "street smarts" and skills.

Question: Are the other programs changing or is this an additional program.

Answer: Additional program.

Question: Are you still affiliated with Jefferson and Grant Schools to extend your programs in those areas?

Answer: We had a contract with KUSD, there was funding to run the program with a tutoring component, that funding was lost.

Question: How will you find the participants?

Answer: We are going to start in the Lincoln Park area because we know there is a need there. We will also go into the schools, Lincoln Middle and Brass schools. Mr. Bedford is also in schools daily.

Question: Are the current facilities adequate to run you program?

Answer: Part of the funds we are asking for will be used for program equipment to start this facility. We may need more in the future, but they are adequate for now.

Question: With the previous problems at this park, people are complaining about the littering at the park? Will you encourage cleanup and ownership of this park within your program?

Answer: We already do some and will continue to promote the issue.

Question: What did you use the funds for last year?

Answer: Programs that were run in our building.

Question: Is this a KUSD program? You have letters of support from KUSD and an unsigned MOU.

Answer: The MOU was signed yesterday, we are showing that we can partnership.

Question: You show 150 unduplicated students, that means \$515 per student, that seems expensive.

Answer: We felt the 150 unduplicated number was a safe number, there will probably be more than that.

Question: What is the Boys and Girls Club position on the basketball court confrontation/situation.

Answer: We were out there two years ago trying to interact with the youth in that area. That incident just brought an ongoing problem to everyone's attention.

Question: Promises were made regarding transportation from the 10th District to your building. Now you are here requesting funds for a different program

Answer: We had buses going out to various neighborhoods and the kids didn't use the bus, so we discontinued them.

Applicant: Oasis Youth Center
Project: After School Program Continuation and Expansion
Request: \$22,500.00

Rene Hundley was the representative. The funds would be used to do hire a full time director to lead the facility.

Question: You have \$2,500 for education, what is this for?

Answer: We need to replace some computers so we can assist the kids.

Question: How many children are in your program?

Answer: Consistently 16, sometimes 25 if no sports are on and in summer in the high twenties.

Question: Do you have to qualify for the kids to be in your program?

Answer: The program is open to anyone going into the 5th grade or older, we go up to juniors in high school.

Question: Do you have rules or consent forms?

Answer: They must have a signed parent's consent form after 2 visits and abide by rules while they are there.

Question: Are you open year around?

Answer: Yes, during the school year from 3:00 pm to 7:00 pm and in summer from 1:00 pm to 5:00 pm

Applicant: Big Brothers Big Sisters
Project: Mentoring Tomorrow's Workforce
Request: \$6,000.00

Ashleigh Henrichs, Mandy Johnson and Trenton Dumas were the representatives. The funds would be used to assist the coordinator position.

Question: How much are you receiving from Racine in funding?

Answer: Approximately \$85,000.

Question: How much of your time is spent in Racine vs. Kenosha?

Answer: Approximately 50%, but we have more matches in Kenosha.

Question: Will the \$6,000 you are requesting be used in Kenosha and how can we make sure it stays in Kenosha?

Answer: The funds would be used to pay Mandy's position. Mr. Geliche added that

the they are required to document that the clients live in Kenosha and how the funds are used here.

Applicant: Housing Resources, Inc.
Project: Homeworks for Homebuyers
Request: \$15,000.00

Mary Beth Aldrich was the representative. The funds would be used to do housing counseling.

Question: Why is this your first year in Kenosha?

Answer: We had a presence at Gateway in Racine for approximately 15 years.

Question: How much funding are you receiving from Racine?

Answer: About \$39,000.

Question: Will the requested \$15,000 be used for salaries?

Answer: Yes.

Question: Are you currently a Community Housing Development Organization (CHDO)?

Answer: Not currently, but hope to be within a year.

Question: You currently have no one from Kenosha on your Board of Directors.

Answer: Correct, we are based out of Milwaukee and are just getting into the Kenosha area.

Applicant: The Salvation Army
Project: Transportation Assistance Program
Request: \$10,000.00

Dan Parrish and John Bregin were the representatives. The funds would be used to purchase gas cards, bus tokens, vehicle repairs, taxi/bus fare and bicycle repairs.

Question: How can we be sure the funds will be used in Kenosha?

Answer: We will track the funds.

Question: Do you have any other secure funding?

Answer: Not firm commitments.

Question: To Mr. Gelicke, Could the application be rejected because they are asking for 100% of the funds?

Answer: Mr. Gelicke responded that is up to the discretion of the Committee.

Question: What other programs have you done in recent years?

Answer: Just the housing program. For the transportation program, we ask the applicant to raise a portion of the money needed for their application request.

Question: Does the National Salvation Army office support you with funding?

Answer: Any funding locally comes from local funding.

Question: What are your hours of operation?

Answer: Monday thru Friday from 8:30am to 11:30 am and 1:00pm to 4:00 pm.

Applicant: The Salvation Army
Project: Housing Stabilization Program
Request: \$25,000.00

Dan Parrish and John Bregin were the representatives. The funds would be used to provide emergency rental assistance.

Question: The funds would be used to pay for rent if someone does not have the money in an emergency situation?

Answer: Yes.

Question: Could you get a synopsis to Mr. Geliche showing where you would get funding if not funded by this Committee.

Answer: Yes.

The suggestion was made for the Salvation Army representative to contact Len Brandrup regarding their transportation program.

Public Comments

No public comments.

Commissioner Comments

No Commissioner comments

Staff Comments

No Staff comments.

A motion to adjourn was made by Alderperson Wicklund and seconded by Alderperson Paff. The motion passed. (Ayes 7, Noes 0). The meeting adjourned at 8:55 p.m.

Meeting Minutes Prepared by: Kay Schueffner, Community Development & Inspections

COMMUNITY DEVELOPMENT BLOCK GRANT COMMITTEE
Minutes
November 3, 2015

MEMBERS PRESENT: Alderperson Anthony Kennedy, Alderperson David Paff, Alderperson Curt Wilson, Alderperson Kurt Wicklund, Anita Faraone, Ronald Frederick and Anderson Lattimore

STAFF PRESENT: Anthony Geliche

The meeting was called to order at 4:18 pm by Alderperson Kennedy, roll call was taken.

1. Project Funding under the 2016 Community Development Block Grant Program

Alderperson Kennedy asked Lynn Biese-Carroll, Director of the Shalom Center to explain the timeline she submitted. Ms. Biese-Carroll said they will do a capital campaign from January to September, to raise \$1.7 million, construction will take 6 months and that will be until March or April of 2017. Alderperson Kennedy asked if you are awarded funds, would you spend them in 2016? Ms. Biese-Carroll said yes. Mr. Geliche added that if they run into deadline issues, we can look into extending the Contract.

Alderperson Kennedy asked the Salvation Army, Women & Children's Horizons and WWBIC if they had any comments to add to the additional information submitted. They all declined.

Housing, Neighborhood Improvement/Economic Development

A motion was made by Alderperson Paff and seconded by Mr. Frederick to fund Women & Children's Horizons at \$40,000 for Shelter Air Conditioning.

Alderperson Wicklund said he would like to see it at \$30,000.

Ms. Faraone said she will not support.

Alderperson Kennedy will not support \$40,000, but would support \$30,000.

The motion for \$40,000 failed. (Ayes 2, Noes 5)

A motion was made by Mr. Lattimore and seconded by Alderperson Wicklund to fund Women & Children's Horizons at \$30,000 for Shelter Air Conditioning. The motion passed. (Ayes 7, Noes 0)

A motion was made by Alderperson Wilson and seconded by Mr. Frederick to fund ELCA at \$40,000 for the Facility Roof.

Ms. Faraone said she will not support, but would support \$30,000.

The motion for \$40,000 passed. (Ayes 6, Noes 1) *Faraone voted no.*

A motion was made by Mr. Lattimore and seconded by Alderperson Paff to fund Kenosha Human Development Services at \$25,000 for a roof on the Adult Family Home.

The motion passed. (Ayes 7, Noes 0)

A motion was made by Alderperson Wicklund and seconded by Alderperson Paff to fund the City-Community Development at \$100,000 for the Elimination of Blighted Structures.

Alderperson Kennedy said he will not support, he would support \$75,000 - \$80,000.

Ms. Faraone said she will not support.

Alderperson Paff said the Common Council passed an Ordinance to deal with blighted structures, these funds are important.

The motion for \$100,000 failed. *Wicklund, Paff and Frederick voted Aye*

A motion was made by Mr. Lattimore and seconded by Alderperson Wicklund to fund the City of Kenosha for Community Development at \$90,000. The motion passed. (Ayes 7, Noes 0)

A motion was made by Ms. Faraone and seconded by Alderperson Paff to fund the Shalom Center at \$135,337 for Homeless Shelter Improvements. The motion passed. (Ayes 6, Noes 1) *Kennedy voted No*

A motion was made by Mr. Frederick and seconded by Alderperson Wilson to fund Wisconsin Women's Business Initiative Corporation at \$80,000 for the Microenterprise Technical Assistance.

Ms. Faraone said she will not support, but she would support \$55,000.

Alderperson Wicklund said he would support \$60,000-\$70,000.

Alderperson Kennedy said he will not support \$80,000, but would support \$55,000-\$57,000.

The motion for \$80,000 failed. (Ayes 2, Noes 6)

A motion was made by Alderperson Wilson and seconded by Alderperson Wicklund to approve \$70,000 for Microenterprise Technical Assistance. The motion passed. (Ayes 6, Noes 1) *Faraone voted no*

A motion was made by Mr. Lattimore and seconded by Alderperson Paff to fund the City-Street improvements at \$401,117. The motion passed. (Ayes 7, Noes 0)

A motion was made by Alderperson Wilson and seconded by Alderperson Wicklund to Approve the Housing, Neighborhood Improvement/Economic Development Category. The motion passed. (Ayes 7, Noes 0)

Planning/Management

A motion was made by Alderperson Wilson and seconded by Alderperson Paff to fund City of Kenosha for Program Administration and Planning at \$243,524. The motion passed. (Ayes 7, Noes 0)

Public Service

A motion was made by Mr. Lattimore and seconded by Ms. Faraone to fund Kenosha Literacy Council at \$8,000. The motion passed. (Ayes 7, Noes 0)

A motion was made by Alderperson Wicklund and seconded by Mr. Lattimore to fund Kenosha Area Family and Aging Services at \$5,000 for Volunteer Transportation Service. The motion passed. (Ayes 7, Noes 0)

A motion was made by Ms. Faraone and seconded by Mr. Lattimore to fund Shalom Center at \$38,000 for Mental Health/AODA.

Alderperson Wicklund and Alderperson Kennedy said they will not support \$38,000.

The motion failed. (Ayes 3, Noes 4) *Faraone, Lattimore and Paff voted Aye*

A motion was made by Ms. Faraone and seconded by Alderperson Paff to fund Shalom Center at \$30,163 for Mental Health/AODA.

Alderperson Wicklund said maybe we should vote on this recipient later in the process.

The motion failed. (Ayes 3, Noes 4) *Faraone, Lattimore and Paff voted Aye*

A motion was made by Ms. Faraone and seconded by Mr. Lattimore to fund Salvation Army at \$8,000 for transportation.

Alderperson Wicklund said the will not support \$8,000.

Alderperson Kennedy asked that the amount be reduced to \$7,300, Ms. Faraone and Mr. Lattimore agreed.

Alderperson Wicklund said he would rather see the amount at \$4,000-\$5,000.

The motion passed. (Ayes 4, Noes 3) *Kennedy, Wilson and Wicklund voted No*

A motion was made by Mr. Frederick and seconded by Alderperson Wilson to fund Shalom Center at \$25,000 for Mental Health/AODA. Mr. Frederick added that they should get that specialty expertise, the Shalom Center should take no clinical roll.

Ms. Faraone asked if some of the same services are provided by other organizations. Mr. Frederick said they could partner with KHDS, they would be a great assistance. There are Medicaid benefits that can be used to help. The Shalom Center should be closely integrated with other services for the maximum funds to be obtained.

The motion passed. (Ayes 6, Noes 1) *Kennedy voted No*

A motion was made by Alderperson Paff and seconded by Alderperson Wilson to fund ELCA Urban Outreach at \$19,000 for Life Sustaining Employment. The motion passed. (Ayes 7, Noes 0)

A motion was made by Mr. Lattimore and seconded by Alderperson Paff to fund Big Brothers Big Sisters at \$4,000 for Mentoring. The motion passed. (Ayes 7, Noes 0)

A motion was made by Alderperson Wilson and seconded by Alderperson Wicklund to

fund Kenosha YMCA at \$21,000 for the Frank Neighborhood Project. The motion passed. (Ayes 7, Noes 0)

A motion was made by Mr. Frederick and seconded by Ms. Faraone not to fund the Housing Resources for the Homeworks to Homebuyers Program. The motion passed. (Ayes 5, Noes 2) *Lattimore and Paff voted No*

Aldersperson Kennedy suggested to the applicant that after they become a CHDO, there may be HOME funds that they could receive.

A motion was made by Aldersperson Wicklund and seconded by Aldersperson Paff to fund Oasis Youth Center at \$3,000 for the After School Program. The motion passed. (Ayes 7, Noes 0)

A motion was made by Mr. Lattimore and seconded by Mr. Frederick to fund Walkin IN My Shoes at \$11,000 for the Homeless Street Outreach. The motion passed. (Ayes 7, Noes 0)

A motion was made by Aldersperson Paff and seconded by Ms. Faraone to fund Women and Children's Horizons at \$15,000 for the Legal Advocacy Coordinator.

Mr. Frederick said he would like to see the amount at \$20,000.

Aldersperson Paff and Ms. Faraone agreed to change the amount to \$20,000. The motion passed. (Ayes 7, Noes 0)

A motion was made by Mr. Lattimore to fund Urban League at \$10,000 for the Hispanic Center. The motion died for lack of a second.

A motion was made by Aldersperson Paff and seconded by Mr. Lattimore to fund Urban League at \$20,000.

Aldersperson Wicklund said he will not support, this is an overlap of services. The amount should be under \$10,000.

Ms. Faraone agreed the amount should be under \$10,000.

Aldersperson Kennedy said they must show the money is being used for Kenosha residents.

Aldersperson Paff said he seed this organization working in the community, we need to support them.

The motion failed. (Ayes 3, Noes 4) *Paff, Lattimore and Frederick voted Aye*

A motion was made by Aldersperson Paff and seconded by Aldersperson Wicklund to fund Urban League at \$8,000.

Aldersperson Kennedy said he won't support, he would support \$15,000.

The motion passed. (Ayes 5, Noes 2) Kennedy and Frederick voted No

A motion was made by Aldersperson Wicklund and seconded by Aldersperson Wilson to fund Boys and Girls Club at \$30,000 for Lincoln Park Outpost. The motion passed.

(Ayes 7, Noes 0)

A motion was made by Ms. Faraone and seconded by Alderperson Wicklund to fund Salvation Army at \$11,343 for Housing Stabilization. The motion passed. (Ayes 7, Noes 0)

A motion was made by Alderperson Wicklund and seconded by Alderperson Paff to move \$2,300, Under the Salvation Army funding, from the Transportation funds to the Housing funds. The motion failed. (Ayes 2, Noes 5)

A motion was made by Ms. Faraone and seconded by Alderperson Wilson to approve the Public Service category. The motion passed. (Ayes 7, Noes 0)

A motion was made by Alderperson Wilson and seconded by Ms. Faraone to approve all three categories. The motion passed. (Ayes 7, Noes 0)

Public Comments

A number of the applicants thanked the Committee for the funds.

Committee Comments

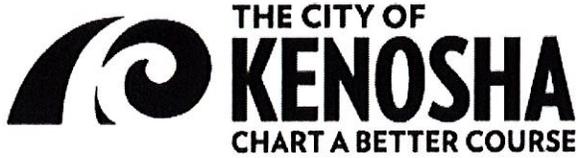
Committee members expressed thanks for the work and support.

Staff Comments

Mr. Geliche said the recommendation on funding will move forward to City Plan Commission, Finance and the Common Council.

A motion to adjourn was made by Alderperson Kennedy and seconded by Mr. Lattimore. The motion passed. (Ayes 7, Noes 0). The meeting adjourned at 5:25 pm

Meeting Minutes Prepared by: Kay Schueffner, Community Development & Inspections



COMMUNITY DEVELOPMENT BLOCK GRANT
Staff Report - Item 1

Wednesday, August 31, 2016 at 5:00 pm
Municipal Building
625 52nd Street - Room 202 - Kenosha, WI 53140

Elections of Chairperson and Vice Chairperson of Community Development Block Grant Committee.
PUBLIC HEARING

NOTIFICATIONS AND APPROVAL REQUIREMENTS:

This is for Community Development Block Grant Committee action.

ANALYSIS:

1. The Code of General Ordinance, Section 1.06 X.5., referencing "City Boards and Commissions, Community Development Block Grant Committee, Officers", states:

The Committee shall elect a Chairperson and Vice Chairperson from among its members at its initial meeting and annually at its first meeting of each calendar year.

2. Section 1.06 X.5 is attached for your reference.

RECOMMENDATION:

To elect a Chairperson and Vice Chairperson..

Tony Geliche, Community Dev Specialist

Jeffrey B. Labahn, Director

5. Officers. The Board shall elect a chairperson and a vice-chairperson from among its members at its initial meeting and annually at its first meeting of each calendar year. The Mayor may appoint a City employee to act as Secretary for the Commission at no additional compensation to be paid to said employee, other than compensatory time off, if applicable, unless such compensation is authorized in advance by the Common Council.

6. By-Laws. The Board may, from time to time, adopt bylaws and rules of procedure fixing the time and place of meeting, prescribing the manner of keeping records, and treating other matters.

7. Duties. The Board shall have the duties specified in Section 70.47, Wisconsin Statutes, and such other provisions of Chapter 70, Wisconsin Statutes, as may be applicable.

W. Board of Assessors.

1. Title. There is hereby created a "Board of Assessors" in accordance with Section 70.075, Wisconsin Statutes.

2. Purpose. The purpose of the Board of Assessors shall be to conduct proceedings and act in accordance with Section 70.075, Wisconsin Statutes, and such other provisions of Chapter 70, Wisconsin Statutes, as may be applicable.

3. Members. There shall be five (5) members appointed by the City Assessor and confirmed by the Common Council. The membership shall consist of the City Assessor and such assistant assessors, appraisers and other expert technical personnel as the City Assessor may appoint.

4. Term. The term of members shall be indefinite, subject to termination without cause by the City Assessor.

5. Officers. The City Assessor shall be the chairperson and shall appoint a vice chairperson from among its members. The City Assessor may appoint a member or an employee of the Assessment Department to act as Secretary for the Board.

6. By-Laws. The Board may, from time to time, adopt bylaws and rules of procedure fixing the time and place of meetings, prescribing the manner of keeping records, and treating other matters.

7. Duties. The Board shall have the duties specified in Section 70.075, Wisconsin Statutes, and such other provisions of Chapter 70, Wisconsin Statutes, as may be applicable.

X. City Development Block Grant Committee.

1. Title. There is hereby created the "City Development Block Grant Committee".

2. Purpose. The purpose of the City Development Block Grant Committee shall be to make recommendations respecting the expenditure of City Development Block Grant funds.

3. Members. There shall be seven (7) members; three (3) members of the Finance Committee of the Common Council; three (3) members of the City Plan Commission; and one (1) citizen of the City. All members shall be appointed by the Mayor and confirmed by the Common Council.

4. Term. The term of members shall be: from the Finance Committee, for the duration of their two (2) year term of office as alderperson; from the City Plan Commission, for the balance of their appointed term; for the citizen member, three (3) years. Any member from the Finance Committee or City Plan Commission who shall for any reason cease to hold such position shall cease to be a member of the Committee. There shall be no limit on the number of consecutive terms of members.

5. Officers. The Committee shall elect a chairperson and vice chairperson from among its members at its initial meeting and annually at its first meeting of each calendar year. The Director of Community Development and Inspections shall appoint an employee of the Department of Community Development and Inspections to act as Secretary for the Committee at no additional compensation to be paid to said employee, other than compensatory time off, if applicable, unless such compensation is authorized in advance by the Common Council.

6. **By-Laws.** The Committee may, from time to time, adopt by-laws and rules of procedure fixing the time and place of meeting, prescribing the manner of keeping records, and treating other matters.

7. **Duties.** The Committee shall have the following duties:

- a. Solicit comments from the public pertaining to the housing and community development needs of the City.
- b. Recommend to the City Plan Commission and Finance Committee a five (5) year Consolidated Plan.
- c. Recommend to the City Plan Commission and Finance Committee an annual Fund Allocation Plan.
- d. Solicit proposals for the use of City Development Block Grant Funds, annually.
- e. Recommend to the City Plan Commission and Finance Committee expenditure of the City Development Block Grant Funds.
- f. Provide recommendations on the reprogramming of unexpended City Development Block Grant Funds, as needed.

Y. Aldermanic Notice

Whenever a City Board or Commission, or personnel authorized by the Board or Commission, has scheduled a public meeting, which is not a regularly scheduled meeting of the Board or Commission, separate aldermanic written notice shall be given by the Board or Commission to each alderperson at least 72 hours prior to the commencement of such meeting unless for good cause such notice is impossible or impractical, in which case shorter notice may be given, but in no case may the notice be provided less than two (2) hours in advance of the meeting. The written notice shall be on paper and in electronic mail (e-mail) format. The affected alderperson(s) shall be required to give approval for their district. Receipt shall be presumed upon delivery to the aldermanic mailbox located within City Hall and upon sending an electronic message to the alderperson's City issued e-mail account. The notice shall announce the time, place and subject matter of the meeting. "Public Meeting" means the convening of members of a City Board or Commission for the purpose of meeting with the public to discuss a topic which is subject to the responsibility, authority, or duties delegated to the Board or Commission.

A.A. Ethics Board.

1. **Title.** There is hereby created an Ethics Board.

2. **Purpose.** The purpose of the Ethics Board is to render advisory opinions regarding the application of the City of Kenosha Code of Ethics, receive and investigate verified complaints alleging violations of the Code of Ethics, conduct hearings concerning alleged violations of the Code of Ethics, and make written findings of fact conclusions of law, determinations and recommendations regarding violations of the Code of Ethics.

3. **Members.** There shall be five (5) members who are residents of the City, one of whom shall be an attorney licensed to practice law in this State. Members of the Ethics Board shall not be elected officials, persons appointed to elective office, full-time appointed officials, or City employees, nor shall they be currently serving on any other City Board, Commission or Authority. All members shall be appointed by the Mayor and confirmed by the Common Council.

4. **Term.** The term of members shall be five (5) years, which shall be staggered by creating initial terms for a period of one (1), two (2), three (3), four (4) and five (5) years, respectively.

5. **Officers.** The Board shall elect a chairperson and a vice-chairperson from among its members at its initial meeting and annually at its first meeting of each calendar year.

6. **By-Laws.** The Board may, from time to time, adopt by-laws and rules of procedure fixing the time and place of meeting, prescribing the manner of keeping records, and treating other matters.

7. **Duties.** The Board shall have the duties specified in Chapter 30 of the Code of General Ordinances as may be amended from time to time.

1.065 KENOSHA AREA BUSINESS ALLIANCE, INC.

A. Recognition And Purpose. The Kenosha Area Business Alliance, Inc. (formerly Kenosha Area



COMMUNITY DEVELOPMENT BLOCK GRANT
Staff Report - Item 2

Wednesday, August 31, 2016 at 5:00 pm
Municipal Building
625 52nd Street - Room 202 - Kenosha, WI 53140

Resolution by the Mayor - To Amend the 2015-2019 Consolidated Plan for the Community Development Block Grant and HOME Programs (*Public Hearing on the Community Development Needs and Objectives*). PUBLIC HEARING

NOTIFICATIONS AND APPROVAL REQUIREMENTS:

This item will be reviewed by the City Plan Commission and Finance Committee before final approval by the Common Council.

LOCATION AND ANALYSIS:

Site: City-Wide

1. The purpose of the City of Kenosha's Five Year *2015-2019 Consolidated Plan* is to develop a viable urban community by providing decent housing, a suitable living environment, expanded economic opportunities principally for low and moderate-income persons, and programs that will address the needs of homeless and near homeless persons. The plan sets forth how two (2) Housing and Urban Development (HUD) grants, the Community Development Block grant and the HOME Investment Partnership Grant, will be used as investment priorities to achieve specific HUD Objectives and outcomes performance measures.
2. The City's goals for the 2015-2019 planning period focus on continuing neighborhood revitalization efforts, providing affordable housing and assisting low-income, homeless, and special needs residents with supportive services. The objectives of the Consolidated Plan are to:
 - a. Provide Decent Affordable Housing
 - b. Create Suitable Living Environments for low to moderate-income persons
 - c. Create Economic Opportunity
3. The City has identified the Section 108 Loan Guarantee Program as a funding source to construct a new fire station.
4. The City is required to amend the Consolidated Plan to recognize the application of the HUD Section 108 Loan Guarantee and the activities to be undertaken utilizing the Loan funds.
5. The City will hold four (4) public hearings to obtain views and comments from the public on the Community Development Needs and Objectives
6. Attached are the pages of the Adopted Consolidated Plan that need to be amended to incorporate the use of the Section 108 Loan Guarantee and the construction of a fire station.
7. The Sections that will be amended and are included for your approval are:
 - a. NA-05 Overview (Needs Assessment)
 - b. SP-25 Priority Needs (Strategic Plan)
 - c. SP-35 Anticipated Resources (Strategic Plan)
 - d. SP-45 Goals Summary (Strategic Plan)

RECOMMENDATION:

A recommendation is made to approve the Amendment to the 2015-2019 Consolidated Plan.



Tony Geliche, Community Dev Specialist

/u2/acct/cp/ckays/ICDBG/2016PY/16-AUG31/Staff-ConPlan.odt



Jeffrey B. Labahn, Director

RESOLUTION # ____ - 16

BY: THE MAYOR

**TO AMEND THE 2015-2019 CONSOLIDATED PLAN
FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT AND HOME PROGRAMS**

WHEREAS, the City of Kenosha receives and Annual Grant of Community Development Block Grant (CDBG) funds under the Housing and Community Development Act of 1974, as amended; and HOME funds under the HOME Investment Partnership Program of 1991 as amended; and

WHEREAS, the U.S. Department of Housing and Urban Development (HUD) requires the City to develop a document designated as its Consolidated Plan; and

WHEREAS, on July 21, 2014, the Common Council adopted the 2015-2019 Consolidated Plan; and

WHEREAS, HUD has established the Section 108 Loan Guarantee Program that provides below-market rate loans for qualified projects that serve the needs of low to moderate income persons; and

WHEREAS, the City of Kenosha meets the criteria to participate in the Section 108 Loan Guarantee Program as a Grantee, receiving funds through the CDBG Program; and

WHEREAS, the City has identified the construction as a fire station as an eligible activity for the Section 108 Loan Guarantee Program; and

WHEREAS, the City of Kenosha proposes to amend the 2015-2019 Consolidated Plan to include a HUD Section 108 Loan Guarantee as a funding source to construct a new fire station; and

WHEREAS, public hearings were held before the CDBG Committee on August 31, 2016; the City Plan Commission on September 22, 2016; the Finance Committee on October 3, 2016; and the City of Kenosha Common Council on October 3, 2016 to obtain citizen comments on the proposed Amendment

NOW THEREFORE BE IT RESOLVED by the Common Council of the City of Kenosha that the 2015-2019 Consolidated Plan is amended to include a HUD Section 108 Loan Guarantee as a funding source to construct a new fire station.

NOW THEREFORE BE IT FURTHER RESOLVED that the Mayor is authorized to submit all necessary and required documents to the U.S. Department of Housing and Urban Development and execute all documents relative thereto.

Adopted this ____ day of _____, 2016

ATTEST:

Debra L. Salas, City Clerk-Treasurer

APPROVE:

John M. Antaramian, Mayor

Needs Assessment

NA-05 Overview

Needs Assessment Overview

The City of Kenosha used the 2010 Census, the 2006-2010 ACS default needs assessment data, results from the online survey, and comments received during the public input session, as well as the consultation process to identify the following affordable housing, community development and homeless needs for the next five years.

The City obtained additional input from the Community Development Block Grant Committee and HOME Program Commission, City staff, and comments from the public input session and online survey, as well as the consultation processes to further refine these overall needs into priority needs acceptable to the City of Kenosha Common Council. The following items represent the top recommended priorities from the online survey and the public input session.

Category	Public Input Session	Community-wide Survey	Community-wide Survey - Greatest Needs
Community Development	Expand Bus Routes	Street Improvements	Job Training
	Homeless Assistance/ Education Programs	Employment Training	Neighborhood Improvements
	Job Training	Job Creation	
	Support for youth centers/ center programs	Fire Stations/ equipment	
Homeless	Permanent INNS site	Emergency Shelter	Services to prevent homelessness
	Consolidate/ centralize services	Supportive services	
	Continue Support Services		
Housing	Chronic Homeless housing assistance	Provide Affordable housing - housing costs are no more than 30% of household income	Availability of affordable housing
	Ex-offender transitional housing	Repair/ improvements to owner-occupied housing	
	Tenant-based Rental Assistance	Rental Assistance	
	Coordinate affordable housing with Kenosha Habit for Humanity	Exterior property maintenance/ code enforcement	

Table 5 - Top Recommended Priorities

SP-25 Priority Needs - 91.215(a)(2)

Priority Needs

Table 48 – Priority Needs Summary

1	Priority Need Name	Community Dev - Public Facilities & Improvements	
	Priority Level	High	
	Population	Extremely Low Low Moderate Middle Large Families Families with Children Elderly Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse veterans Victims of Domestic Violence Unaccompanied Youth Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities Persons with Alcohol or Other Addictions Persons with HIV/AIDS and their Families Victims of Domestic Violence Non-housing Community Development	
	Geographic Areas Affected	Low - moderate Income Census Tract Block Groups	
	Associated Goals	Suitable Living Environ-Facilities/Infrastructure	
	Description	Youth Centers Neighborhood Improvements Fire Stations/ equipment	Homeless Facilities Infrastructure

SP-35 Anticipated Resources - 91.215(a)(4), 91.220(c)(1,2)

Introduction

The City of Kenosha expects to receive Community Development Block Grant and HOME Investment Partnership funds, available from HUD, during the five year period of this Consolidated Plan.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$	
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	936,778	44,485	75,000	1,056,263	Estimated Five year average of annual CDBG Entitlement Grant
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	343,775	164,820	139,454	648,049	Estimated Five year average of annual HOME Entitlement Grant
						2,034,380	

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1			Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$		
Section 108	public-federal	Construction of Fire Station/ equipment Potential demolition of existing building on site				4,713,935	Maximum amount available from Section 108 program (5 times 2016 grant amount)

Table 50 - Anticipated Resources

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

While the CDBG and HOME Programs do not require leveraging, the CDBG program does leverage other resources with the CDBG funds. The City budgets \$100,000 in the Capital improvement Program for the required HOME match. At this time the City has excess match that has carried over from the previous fiscal years.

It is anticipated that the \$1,056,263 of CDBG funds will leverage \$4,096,106 through the following State, local and private resources:

- \$163,000 State
- \$2,355,000 Local
- \$1,578,106 Private

Section 108 will leverage \$907,684 in City of Kenosha Capital Improvement funds (CIP).

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The City of Kenosha may provide vacant/undeveloped lots to Habitat for Humanity for new construction of affordable housing units.

The City of Kenosha will provide the site for the identified fire station construction.

Discussion

The City of Kenosha will pledge future CDBG allocations to repay the Section 108 loan guarantee, estimated to be \$250,000 per year for 20 years.

SP-45 Goals Summary – 91.215(a)(4)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Suitable Living Environ-Facilities/Infrastructure	2015	2019	Non-Housing Community Development	City-wide targeted toward Reinvestment Neighborhood	Community Dev - Public Facilities & Improvements Homeless	CDBG: \$2,427,925	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 10000 Persons Assisted Buildings Demolished: 25 Buildings
2	Suitable Living Environ through Public Services	2015	2019	Homeless Non-Homeless Special Needs	City-wide targeted toward Reinvestment Neighborhood	Community Development - Public Services Homeless	Section 108 CDBG: \$4,713,935	22,350 persons assisted Public service activities other than Low/Moderate Income Housing Benefit: 12500 Persons Assisted Homeless Person Overnight Shelter: 750 Persons Assisted

Table 53 – Goals Summary

Goal Descriptions

1	Goal Name	Suitable Living Environ-Facilities/Infrastructure
	Goal Description	This goal is designed to provide funding for improvements to non-profit facilities, City infrastructure and public safety facilities.
2	Goal Name	Suitable Living Environ through Public Services
	Goal Description	This goal is designed to provide public services for low/moderate income persons.
3	Goal Name	Create Economic Opportunities
	Goal Description	This goal is designed to cause the creation of new jobs that otherwise would not be created, or retain jobs that otherwise would be lost, as well as providing technical assistance to micro enterprises.
4	Goal Name	Provide safe, decent affordable housing
	Goal Description	This goal is designed to provide assistance to low/moderate income households with the ability to afford decent housing.
5	Goal Name	Administration and Planning
	Goal Description	This goal is designed to provide the overall administration of the CDBG and HOME Programs, as well as Comprehensive Planning.



COMMUNITY DEVELOPMENT BLOCK GRANT
Staff Report - Item 3

Wednesday, August 31, 2016 at 5:00 pm
Municipal Building
625 52nd Street - Room 202 - Kenosha, WI 53140

Resolution by the Mayor - To Approve the Proposed HUD Section 108 Loan Guarantee Application in the amount of \$4,713,935. PUBLIC HEARING

NOTIFICATIONS AND APPROVAL REQUIREMENTS:

This item will also be reviewed by the City Plan Commission and Finance Committee before final approval by the Common Council.

LOCATION AND ANALYSIS:

Site: 52nd Street and 22nd Avenue

1. Section 108 of the Housing and Community Development Act of 1974 provides for a Loan Guarantee component of the Community Development Block Grant (CDBG) Program. The Section 108 Loan Guarantee Program (Section 108) provides communities with a source of financing for economic development, housing rehabilitation, public facilities, and other physical development projects, including improvements to increase their resilience against natural disasters. The funds can be used by a designated public entity to undertake eligible projects, or, alternatively, can be loaned to a third party developer to undertake the projects. This flexibility makes it one of the most potent and important public investment tools that HUD offers to local governments.
2. The attached Section 108 Loan Guarantee Application is provided to you for your review and consideration. This is the proposed Application and it may change based on public input and updated financing. The following are the highlights of the application:
 - a. The City is applying for \$4,713,935.
 - Maximum allowed under the program-which is 5 times the 2016 Entitlement Grant
 - b. Funds would be used at the corner of 52nd Street and 22nd Avenue to:
 - Demolish the existing vacant school building.
 - Construct a fire station.
 - c. The City has published a Public Notice in the Kenosha News on August 29, 2016.
 - d. The City will hold four (4) public hearings to obtain views and comments from the public on the Section 108 Loan Application.
 - e. The City will utilize \$907,684 in CIP funds (or an amount necessary to complete the project).
 - f. The City pledges future CDBG funds in an approximate amount of \$250,000 a year for 20 years to pay back the Section 108 Loan Guarantee.
 - g. The City will utilize local funds to repay the obligation if the CDBG Program fails to remain in existence for the 20 year period.
 - h. The City has determined that the construction of a fire station is an eligible activity under the CDBG and Section 108 Loan Regulations.
 - i. The City has determined that the activity will serve a National Objective under the CDBG and Section 108 Loan Program in that the service area of the fire station is 68.28% low to moderate income.

RECOMMENDATION:

A recommendation is made to approve the submission of the Section 108 Loan Guarantee Application



Tony Geliche, Community Dev Specialist



Jeffrey B. Labahn, Director

/u2/acct/cp/ckays/ICDBG/2016PY/16-AUG31/Staff-Section108.doc

RESOLUTION # ____ - 16

BY: THE MAYOR

**TO APPROVE THE PROPOSED HUD SECTION 108
LOAN GUARANTEE APPLICATION IN THE AMOUNT OF \$4,713,935**

WHEREAS, the City of Kenosha would like to construct a new fire station on the former Bain School site; and

WHEREAS, the construction of the fire station has been identified as a need in the 2015-2019 Consolidated Plan; and

WHEREAS, the service area of the proposed fire station has been identified as 68.28% low to moderate income; and

WHEREAS, the total project costs, including demolition, are \$5,621,619; and

WHEREAS, it has been identified and documented that the Section 108 Loan Guarantee is needed to complete the project; and

WHEREAS, public hearings were held before the CDBG Committee on August 31, 2016; the City Plan Commission on September 22, 2016; the Finance Committee on October 3, 2016; and the City of Kenosha Common Council on October 3, 2016 to obtain citizen comments on the proposed Amendment.

NOW THEREFORE BE IT RESOLVED that the City of Kenosha Common Council hereby approves and authorizes the Mayor to apply for and receive a \$4,713,935 HUD Section 108 Loan Guarantee.

BE IT FURTHER RESOLVED that the Mayor is hereby authorized to execute, deliver and carry out all necessary and reasonable actions required to carry out and give effect to the transaction contemplated in this Resolution.

Adopted this ____ day of _____, 2016

ATTEST:

Debra L. Salas, City Clerk-Treasurer

APPROVE:

John M. Antaramian, Mayor



**SECTION 108 LOAN GUARANTEE PROGRAM
APPLICATION**

**FIRE STATION CONSTRUCTION
(52nd Street and 22nd Avenue)**

John M. Antaramian, Mayor

**Prepared by: The Department of Community
Development and Inspections**

Jeffrey B. Labahn, Director

City of Kenosha, Wisconsin

Application for Federal Assistance SF-424

* 1. Type of Submission:

- Preapplication
 Application
 Changed/Corrected Application

* 2. Type of Application:

- New
 Continuation
 Revision

* If Revision, select appropriate letter(s):

* Other (Specify):

* 3. Date Received:

4. Applicant Identifier:

5a. Federal Entity Identifier:

5b. Federal Award Identifier:

State Use Only:

6. Date Received by State:

7. State Application Identifier:

8. APPLICANT INFORMATION:

* a. Legal Name:

City of Kenosha, Wisconsin

* b. Employer/Taxpayer Identification Number (EIN/TIN):

39-60005481

* c. Organizational DUNS:

0789325890000

d. Address:

* Street1:

625-52nd Street Room 308

Street2:

* City:

Kenosha

County/Parish:

Kenosha

* State:

WI: Wisconsin

Province:

* Country:

USA: UNITED STATES

* Zip / Postal Code:

53140-3480

e. Organizational Unit:

Department Name:

Community Devel. & Inspections

Division Name:

Community Development

f. Name and contact information of person to be contacted on matters involving this application:

Prefix:

Mr.

* First Name:

Anthony

Middle Name:

* Last Name:

Geliche

Suffix:

Title: Community Development Specialist

Organizational Affiliation:

CDBG Program Administrator

* Telephone Number: 262-653-4030

Fax Number: 262-653-4045

* Email: tgeliche@kenosha.org

Application for Federal Assistance SF-424

*** 9. Type of Applicant 1: Select Applicant Type:**

C: City or Township Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

* Other (specify):

*** 10. Name of Federal Agency:**

U.S. Department of Housing and Urban Development

11. Catalog of Federal Domestic Assistance Number:

14.248

CFDA Title:

Section 108 Loan Guarantee Program

*** 12. Funding Opportunity Number:**

* Title:

13. Competition Identification Number:

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

Add Attachment

Delete Attachment

View Attachment

*** 15. Descriptive Title of Applicant's Project:**

Demolition of existing building
Construction of a fire station

Attach supporting documents as specified in agency instructions.

Add Attachments

Delete Attachments

View Attachments

Application for Federal Assistance SF-424

16. Congressional Districts Of:

* a. Applicant

* b. Program/Project

Attach an additional list of Program/Project Congressional Districts if needed.

17. Proposed Project:

* a. Start Date:

* b. End Date:

18. Estimated Funding (\$):

* a. Federal	<input type="text" value="4,713,935.00"/>
* b. Applicant	<input type="text"/>
* c. State	<input type="text"/>
* d. Local	<input type="text"/>
* e. Other	<input type="text"/>
* f. Program Income	<input type="text"/>
* g. TOTAL	<input type="text" value="4,713,935.00"/>

*** 19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

- a. This application was made available to the State under the Executive Order 12372 Process for review on
- b. Program is subject to E.O. 12372 but has not been selected by the State for review.
- c. Program is not covered by E.O. 12372.

*** 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)**

Yes No

If "Yes", provide explanation and attach

21. *By signing this application, I certify (1) to the statements contained in the list of certifications and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)**

** I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:

Prefix: * First Name:
Middle Name:
* Last Name:
Suffix:

* Title:

* Telephone Number: Fax Number:

* Email:

* Signature of Authorized Representative: * Date Signed:

**U.S DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
Section 108 Loan Guarantee Program**

Submitted by the City of Kenosha, Wisconsin

1) PROJECT DESCRIPTION

The City of Kenosha is seeking support from the Section 108 Loan Guarantee Program to create a suitable living environment through the construction of a new fire station on the corner of 52nd Street and 22nd Avenue. The site is the location of the former Bain School that has been vacant since 2005.

The City plans to demolish the existing building on the site and construct a new fire station utilizing \$4,713,935 in Section 108 Loan Guarantee funds and \$907,684 in City of Kenosha Capital Improvement funds.

The site is located in Census Tract 8, Block Group 3 which is 69.74% low-to moderate income.



The service area of this station would be approximately 30th Avenue (on the West); Lake Michigan (on the East); Washington Road (on the North); and 75th Street (on the South). This area is 68.28% low-to moderate income.

The use of the Section 108 Loan Guarantee will allow the City a central inner-city location to provide Fire/EMS services to low-to moderate income persons allowing the City the ability to supplement the essential, routine services provided in the Capital Improvement Program. Without the use of the Section 108 Loan Guarantee, the construction of the fire station would not be possible.

2) CITIZEN PARTICIPATION

The City of Kenosha will follow the Citizen Participation Plan for the CDBG and HOME Programs to obtain views and comments from the public. In particular, citizens will be afforded opportunities to participate in the Section 108 Loan Guarantee process by means of a 30 day comment period from August 29, 2016 to October 3, 2016. Public meetings will be held to receive questions and comments both at the meetings and through written comments. Initiatives to obtain citizen input will involve the following:

- Notice to solicit citizen input regarding the Section 108 Loan Guarantee will be posted on the City's website, published in the Kenosha News (August 29, 2016) and noticed through the CDBG Committee, City Plan Commission, Finance Committee and Common Council agendas.
- Public hearings will be held at the following meetings:
 - August 31, CDBG Committee
 - September 22, City Plan Commission
 - October 3, Finance Committee and Common Council

City of Kenosha – Section 108 Loan Guarantee Application

3) SOURCES AND USES

Sources

City of Kenosha Capital Improvement Program	\$ 907,684
Section 108 Loan Guarantee	<u>\$4,713,935</u>
	\$5,621,619

Uses

Demolition	\$ 500,000
Construction	\$5,000,000
Financing Fee	<u>\$ 121,619</u>
	\$5,621,619

4) REPAYMENT SCHEDULE

The City of Kenosha proposes to repay the Section 108 Loan Guarantee by utilizing future CDBG allocations over a twenty year period.

The current interest rate for the Program is calculated using the variable 90 day LIBOR plus 20 basis points. As of August 26, 2016, the interest rate for the Section 108 Program is 1.03%.

The City is also required to pay a one-time fee of 2.58% of the Section 108 Loan Guarantee amount or \$121,619.

When calculating the repayment schedule the City is to only compute the principal amount to be paid. As a result the following illustrates the repayment schedule:

Year	Amount
2018	\$235,696.75
2019	\$235,696.75
2020	\$235,696.75
2021	\$235,696.75
2022	\$235,696.75
2023	\$235,696.75
2024	\$235,696.75
2025	\$235,696.75
2026	\$235,696.75
2027	\$235,696.75
2028	\$235,696.75
2029	\$235,696.75
2030	\$235,696.75
2031	\$235,696.75
2032	\$235,696.75
2033	\$235,696.75
2034	\$235,696.75
2035	\$235,696.75
2036	\$235,696.75
2037	\$235,696.75
	\$4,713,935.00

With interest, it is anticipated that the City's payment would be approximately \$250,000 to \$260,000

5) COLLATERAL

The City of Kenosha is applying for the Section 108 Loan Guarantee based on the 2016 CDBG Entitlement Grant in the amount of \$942,787 and will pledge future CDBG funding allocations to repay the Loan Guarantee. Furthermore, if the CDBG Program fails to exist for the entire 20 year period, the City will utilize local funds to repay the obligation.

6) TIMELINE

August 29, 2016	Public Notices Published
August 31, 2016	Public Hearing – CDBG Committee
September 22, 2016	Public Hearing – City Plan Commission
October 3, 2016	Public Hearing – Finance Committee/Common Council
October 10, 2016	Section 108 Application Submitted
Once Section 108 is approved	HUD Environmental Review Demolition Bidding/Demolition Design/Engineering Construction
Summer 2018	Completion

7) ELIGIBLE ACTIVITY

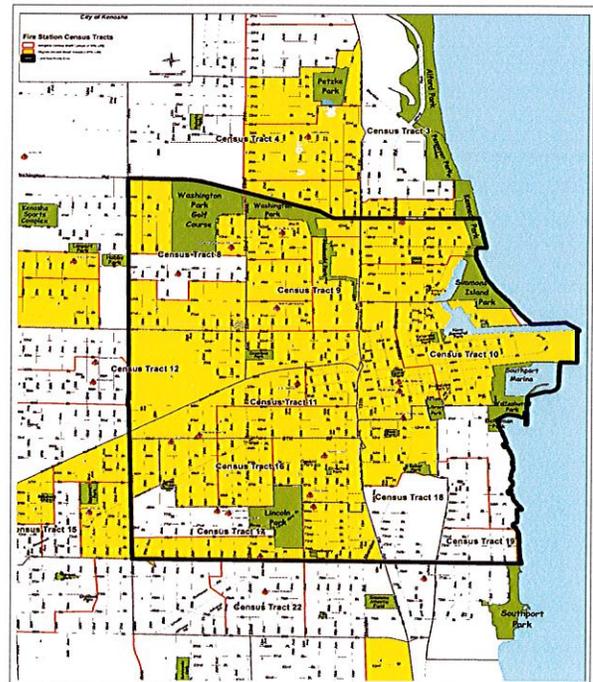
The Section 108 Loan Guarantee is sought for the construction of fire station which is an eligible CDBG activity under 24CFR § 570.201(c) Public Facilities and Improvements and also listed as an eligible activity under 24CFR § 570.703(l). If used for demolition, the activity would be eligible under 24CFR § 570.703(e).

8) NATIONAL OBJECTIVE

**Benefit to low and moderate income persons
Low-Mod Area Benefit (LMA) 24CFR § 570.708(a)(1)**

The Low-Mod Area Benefit national objective address activities which are available to benefit all the residents of an area which is primarily residential. In order to qualify as addressing the national objective of benefit to low-to moderate income persons on an area basis, an activity must meet the identified needs of low-to moderate income persons residing in an area where at least 51% of the residents are low-to moderate income persons. The benefits of this type of activity are available to all residents in the area regardless of income.

The service area of this station would be approximately 30th Avenue (on the West); Lake Michigan (on the East); Washington Road (on the North); and 75th Street (on the South). This area is 68.28% low-to moderate income as shown in yellow on the map.

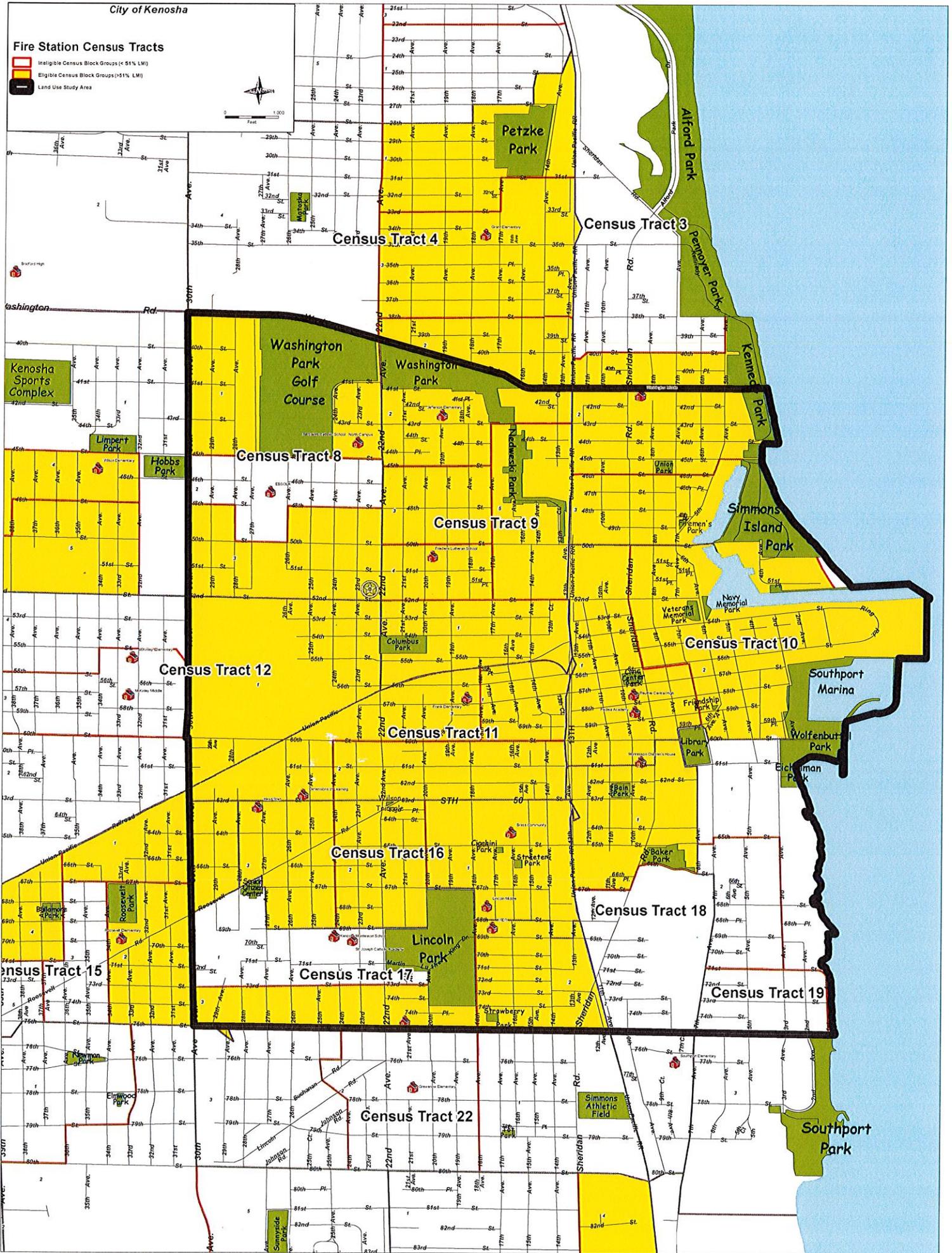


9) CONTACT

Anthony Geliche, Community Development Specialist
Department of Community Development & Inspections
625-52nd Street
Kenosha, WI. 53140
tgeliche@kenosha.org
262-653-4030

Fire Station Census Tracts

-  Ineligible Census Block Groups (< 51% LMI)
-  Eligible Census Block Groups (>51% LMI)
-  Land Use Study Area



**SECTION 108 LOAN GUARANTEES
ENTITLEMENT PUBLIC ENTITY CERTIFICATIONS**

In accordance with Section 108 of the Housing and Community Development Act of 1974, as amended, (the Act") and with 24 CFR §570.704(b) the public entity certifies that:

- (i) it possesses the legal authority to submit the application for assistance under 24 CFR Part 570, Subpart M ("Subpart M") and to use the guaranteed loan funds in accordance with the requirements of Subpart M.
- (ii) Its governing body has duly adopted or passed as an official act a resolution, motion or similar action authorizing the person identified as the official representative of the public entity to submit the application and amendments thereto and all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the public entity to act in connection with the application to provide such additional information as may be required.
- (iii) Before submission of its application to HUD, the public entity has:
 - (A) Furnished citizens with information required by §570.704(a) (2) (i);
 - (B) Held at least one public hearing to obtain the views of citizens on community development and housing needs; and
 - (C) Prepared its application in accordance with §570.704 (a) (1) (iv) and made the application available to the public.
- (iv) It is following a detailed citizen participation plan which meets the requirements described in § 570.704 (a) (2).
- (v) The public entity will affirmatively further fair housing, and the guaranteed loan funds will be administered in compliance with:
 - (A) Title VI of the Civil Rights Act of 1964 (Pub. L. 88-352, 42 U.S.C. 2000d et seq.); and
 - (B) The Fair Housing Act (42 U.S.C. 3601-20).
- (vi) In the aggregate, at least 70 percent of all CDBG funds, as defined at § 570.3(e), to be expended during the one, two or three consecutive years specified by the public entity for its CDBG program will be for activities which benefit low and moderate income persons, as described in criteria at §570.208(a).
- (vii) It will comply with the requirements governing displacement, relocation, real property acquisition, and the replacement of low and moderate-income housing described in §570.606.
- (viii) It will comply with the requirements of §570.200(c) (2) with regard to the use of special assessments to recover the capital costs of activities assisted with guaranteed loan funds.
- (ix) It will comply with the other provisions of the Act and with other applicable laws.

John M. Antaramian, Mayor

Date

Certification of Efforts to Obtain Other Financing

The City of Kenosha hereby assures and certifies with respect to its application for a loan guarantee pursuant to Section 108 of the Housing and Community Development Act of 1974, as amended, that it has made efforts to obtain financing for the activities described herein without the use of such guarantee, it will maintain documentation of such efforts for the term of the loan guarantee, and it cannot complete such financing consistent with the timely execution of the project without such guarantee.

Certification of Legal Authority to Pledge Grants

The public entity hereby certifies and assures with respect to its application for a loan guarantee pursuant to Section 108 of the Housing and Community Development Act of 1974, as amended, that it possesses the legal authority to make the pledge of grants required under 24 CFR 570. 705(b)(2).

John M. Antaramian, Mayor

Date



THE CITY OF
KENOSHA

Public Notice

HUD Section 108 Loan Guarantee

The City of Kenosha is soliciting comments on the use of a HUD Section 108 Loan Guarantee to construct a Fire Station at the corner of 22nd Avenue and 52nd Street.

The City would demolish the Old Bain School and construct the Fire Station utilizing Capital Improvement Funds and a \$4,713,935 Section 108 Loan Guarantee. Total project costs are estimated to be \$5,621,619.

The City would repay the Loan Guarantee over a 20 year period utilizing future CDBG funds in the amount of \$250,000/year.

The City is also amending the 2015-2019 Consolidated Plan to recognize the Fire Station Construction and Section 108 Loan Guarantee.

The following Public Hearings will be held at the Municipal Building 625 52nd Street, to solicit comments and receive questions on the Section 108 Loan Guarantee and Consolidated Plan Amendment:

- August 31, CDBG Committee 5:00PM Room 202
- September 22, City Plan Commission 5:00PM Room 202
- October 3, Finance Committee 6:00PM Room 202
- October 3, Common Council 7:00PM Room 200

Submit written comments to: City of Kenosha
HUD Section 108 Loan Guarantee
Community Development & Inspections
625 52nd Street - Room 308
Kenosha, WI 53140

Direct Questions to: 262-653-4030 - Community Development & Inspections

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