

MINUTES

City of Ladysmith CDBG/RLF Housing Committee Meeting May 21, 2015

CALL TO ORDER

Meeting called to order at 10:00 a.m.

ROLL CALL

Committee members present: Don French, Erna Stingle, Adam Kaiser, Kim Rogers, Robert Cowin, and Sue Moore. Others present: Allen Kenyon, City Attorney, Bonnie Carlson and Sheldon Johnson NWRPC via phone.

APPROVE MINUTES OF JULY 11, 2014, MEETING

Motion by S. Moore second by K. Rogers to approve minutes as presented. Motion carried unanimously.

DISCUSSION AND ACTION REGARDING SUBORDINATION REQUEST – 02-L-027

Applicant requesting the City subordinate a new loan for the purpose of paying off an ex-wife her portion of the divorce settlement. Applicant will receive no cash out and there is adequate equity in the property to secure the city's mortgage.

Motion by E. Stingle, second by D. French to approve subordination request. Motion carried unanimously.

DISCUSSION AND ACTION FOR PROGRAM ADMINISTRATOR TO APPROVE/DENY FUTURE SUBORDINATION REQUESTS MEETING PROGRAM GUIDELINES .

S. Johnson explained the state allows subordinations for the purpose of obtaining a lower interest rate, a change of terms, or a home equity line of credit for improvements to a home. The guidelines do not allow for any consolidation of debt or any cash out. If a past recipient is requesting subordination and meets the guidelines, Johnson requested the committee's approval to make the decision without having a committee meeting.

Motion by S. Moore, second by E. Stingle to allow the program administrator to approve subordinations which meet the program guidelines without committee approval. Motion carried unanimously.

10:15 Ken Brown, committee chair, present.

DISCUSSION AND ACTION TO CONVERT PROJECT 99-L-025 FROM OWNER-OCCUPIED TO RENTAL PROPERTY.

Property owner is not currently living in home and is requesting committee approve a payment schedule for a rental property. The amount of the City of Ladysmith's loan is \$15,000. Currently the taxes are delinquent.

The states guidelines allow for an owner-occupied to rental conversion with a payment schedule established over a 10-year period and a requirement to rent to low- to moderate-income household for the first five years.

Motion by D. French, second by K. Brown to approve the request with the stimulation the taxes be current and then convert to rental agreement with a minimum monthly payment of \$125. If in the future the owner resumes residence, the payback is to continue. Motion carried unanimously.

CBDG AND HOUSING REHABILITATION DISCUSSION

None

ADJOURNMENT

Motion by S. Moore, second by K. Rogers to adjourn at 10:40 a.m.

Attest:

Bonnie Carlson, NWRPC