

City of Ashland – DRAFT Housing Committee Meeting Minutes

A meeting of the Ashland Housing Committee was held on **Wednesday, October 21, 2020 at 8:00 a.m. via GoTo Meeting.**

Committee Members Present: Sam Ray, Ana Tochterman, Kaas Baichtal, Kathy Beeksma, Liz Franek, and Megan McBride

Committee Members Absent: Eric Lindell

Staff Present: Chris Luebben, Mayor Lewis, Lucas Phillips

Visitors Present: Henry Houden, Millie Rounsville

Mayor Lewis opened the meeting at 8:00 a.m.

Agenda

1) Consent Agenda

Motion to approve the agenda by Sam Ray. Seconded by Kaas Baichtal. Passed unanimously.

2) Approve minutes from the September 16, 2020 Housing Committee meeting

Motion to approve minutes from September 16, 2020 Housing Committee meeting by Sam Ray, seconded by Kaas Baichtal. Passed unanimously.

3) Citizen Comments

No comments.

4) Old business

- a) Updates on property maintenance, HIP and CDBG
Megan McBride updated that one more CDBG loan has been repaid.

Chris Luebben provided updates on property maintenance and HIP. She has been contacting contractors to see if there was interest in working on HIP programs. She stated that the contractors have all said that they are extremely busy, so she will try reaching out in spring to see if they can work on HIP projects.

Chris Luebben also said that the County has a lead-safe paint removal program and that several people have reached out with interest for that, so that will help with having additional painters available in the City who have this certification.

Chris also stated that due to the snow, property maintenance is likely going to stop enforcing painting on houses and garages, but will be reaching out to existing projects to extend their deadlines into the spring and will ensure that the projects conclude once it is warm enough to do so. She is continuing to enforce issues regarding trash, and is generally achieving compliance within a few days of sending out the letters. Megan McBride also highlighted a large house on 6th Street that had ongoing property

maintenance and structural issues, which is currently in progress to have a new roof installed, deteriorated boards replaced and the exterior painted. This has been a longstanding project, and McBride emphasized that this is a huge improvement for the property owner, neighborhood, and community overall.

Motion to send to next approval process. Motion made by Eric Lindell, seconded by Kathy Beeksma. Passed unanimously.

Vote for approval of RFP. Passed unanimously.

5) **New business**

- a) Review Request for Proposal (RFP) submissions for residential redevelopment of the City-owned Timeless Timber site and provide recommendation to City Council

Megan McBride reviewed the residential development goals stated in the Request For Proposals (RFP) before giving an overview of the submission received for this RFP. The proposal was received from Commonwealth Companies out of Middleton, WI.

Henry Houden from Commonwealth gave an overview of the proposed 50-unit, cottage-style development. He stated that all of their projects in Wisconsin are Wisconsin Green Building certified, and their staff has extensive experience in working to make developments as environmentally friendly as possible. Commonwealth is the largest affordable housing developer in the state. This proposal features 50 units, but has the potential to expand to more units, should there be a need, on the remaining 8 acres in the east-central portion of the site.

Liz Franek asked if any single-family homes would be for sale as part of this development. Henry Houden explained that Commonwealth does not specialize in single-family housing development, but it is possible that Commonwealth would sell a portion of the remaining undeveloped site for single-family housing construction in the future. Since their affordable housing model centers on assisting individuals and families to become financially stable enough to transition to homeownership, partnering with a single-family housing developer for the remainder of the site may be a good fit in the future.

Kaas Baichtal said that there is a high demand for one and two bedroom apartments, and there is often a single-family home occupied by just a few people, so this development will help create more opportunities for homeownership within the community as well.

Kathy Beeksma asked about the possibility of including garages for these properties due to its proximity to the lake and concerns around snow. Henry Houden explained that in order to qualify for the WHEDA low income housing tax credits, there is a total cost cap. He said that he can speak with his architects to see if they could be creative, but most likely including garages would cause the project to exceed these levels and disqualify their LIHTC application.

Kaas Baichtal asked if snow plowing would be included at this property, and Henry Houden said that their current budget does include snow plowing, and the site was designed to be easy to plow.

Mayor Lewis asked how the property will be managed after it is built. Henry Houden explained that one of Commonwealth's founders has his own property management company, so a member of their staff who is familiar with the project will be involved with managing the property after construction.

Kathy Beeksma pointed out the office space included in the proposed Clubhouse, and expressed support for this type of accessibility of the property manager.

Kaas Baichtal asked if Commonwealth has experience in towns like Ashland where the quantity of renters is high, but the qualifications as tenants can be lower.

Henry Houden explained that they make their tenant qualifications flexible to fit the community's needs, but they do have an on-site vetting process that will address the needs of the tenant profiles in the specific community. They also have experience in other rural communities which are even smaller than Ashland (with populations around 2,000), all the way up to Madison, Milwaukee and the Minneapolis area. Therefore, they are well equipped to adapt to identify and adapt to the specificities of the communities they serve.

Mayor Lewis explained that the City was connected with Commonwealth through a strong recommendation from Senator Janet Bewley, and stated that she is grateful for their proposal.

Motion to recommend approval of the proposed residential proposal for the Timeless Timber site by The Commonwealth Companies to City Council by Ana Tochtermann, seconded by Liz Franek. Passed unanimously.

b) Review and vote on City acquisition of a residential property for strategic demolition program

Megan McBride discussed a property near Ellis Park that had a fire, and extensive water damage, which has become a serious health and safety threat to the surrounding neighborhood. The City has tried to work with the property owner, but has had no success. She stated that the property owners mailed the County the keys, but now the County can legally acquire the property via tax deed. If the County acquires it in this way, they can sell it to the City for just the cost of the back taxes, which is \$667. This property also has a roughly \$20,000 CDBG loan on it as well. Due to the health and safety hazard presented by this property, the City had identified it as a potential strategic demolition property using CDBG funds. The City has a current offer on this property for \$5,000, from a relatively new developer who has worked with other properties with extensive damage and has rehabilitated those properties up to code. Megan McBride provided before and after photos of two (2) recent renovation projects completed by the property owner, with an average investment of \$20,000- 25,000 in each property. Megan McBride asked for feedback from committee members to determine if the city should continue to pursue purchasing the property and sell/donate

it to a nonprofit, or if the City should consider selling the property to the developer, who would privately fix it up.

Ana Tochtermann asked Millie Rounselle if they would be ready and willing to take on a property like this, if the City continued with demolition. Millie explained that they have limited resources to take on an extremely damaged property like the one in question, and a lot of their residents are elderly. Millie Rounselle said that they would be able to build new, however, but likely in 2021 due to timelines involved in obtaining state funding.

c) Discuss updates to Housing Strategic Plan

The committee will begin review and updating of the City's Housing Strategic Plan at their November, 2020 meeting.

6) Announcements

Mayor Lewis announced that the Chequamegon Bay region has been selected as one of the three (3) communities for the Wisconsin Housing and Economic Development Authority (WEHDA) rural affordable workforce housing initiative. She will continue to provide further updates as this progresses.

7) Adjournment

Motion to adjourn by Sam Ray. Passed unanimously.

Meeting was adjourned at 9:13 am. Minutes by Chris Luebben and Megan McBride.