



ROCK COUNTY HOUSING AUTHORITY
Monday, May 2, 2011 - 9:30 A.M.
Community Action Office – Pathways Office
#20 Eclipse Center
600 Henry Avenue
Beloit, WI 53511

1. **Call to Order:** Vice Chair Billy Bob Grahn called the meeting to order at 9:45 A.M.
Members Present: Vice Chair Billy Bob Grahn, Chair Brian Christianson, Anda O’Connell, Jackie Wood,
Members Absent: Anna Marie Johnson
Staff Members Present: David Somppi, Neale Thompson
Staff Members Absent: None
Others Present: John Ramstad, Betty Villalobos-Hallman
2. **Adoption of Agenda:** Motion to approve agenda for meeting of May 2, 2011, by Com’r. Wood, 2nd by Com’r. O’Connell. Motion carried.
3. **Minutes of Meeting from February 28, 2011.** Motion to approve the minutes of the meeting from December 6, 2010, by Com’r. O’Connell, 2nd by Com’r. Wood. Motion passed.
4. **Secretary’s Report:** Mr. Somppi reported that a presentation was made to the Rock County Board of Supervisors regarding the activities of the Planning and Development Agency that include grants, property purchases, hazard mitigation flood work, and the current Small Cities grants like for Edgerton and Rock County. These projects total over \$2.3 million that generate projects and support jobs in the area. In what might be a pattern, two prospective home purchase loans did not come through for this meeting.
5. **Citizen Participation, Communications and Announcements:** Com’r Wood shared information about a documentary film about school-age homelessness in Rock County that is about 32 minutes long and suggested that is be shown at a regular Planning and Development committee meeting. School counselors working with this issue lend out the video and make presentations. Vice Chair Grahn wanted the RCHA to see this 1649 movie in the future. Com’r. Wood will give all the information to Mr. Somppi.
6. **Tour of Merrill Street Project:** Mr. John Ramstad distributed copies of a power point presentation that discussed the project and a color-coded map of the project area. He explained that the wide-ranging project has been going for 3.5 years but has progressed slower than expected. Workers from the Fresh Start program work only 30 hours per week split in half between education and construction work. About one-third of the program enrollees “get it” and really adopt the discipline and work attitudes stressed by the program. Efforts and benefits of the program are about 80% for the greater good of the area (Merrill Improvement Group and a Neighborhood Watch Group with eight active houses) and about 20% for the improvement of the particular houses. For the first time this year, some Beloit Police are walking the neighborhood that helps the presence that can influence the 4-5 unresponsive residents in 2-3 houses. The power point given out was a presentation to the Board of Directors of Community Action who were impatient with the progress of the project but were informed of the problems stemming from the housing market that affect low-priced real estate. For example, minimum credit scores for FHA

loans were 500 two years ago and are now 640, making it harder to get loans for purchase. Loans with only 5% down need a 720 credit score. Customers targeted by the Merrill Project cannot get a 20% down payment to qualify for a regular loan. Mr. Somppi explained that this is a structural problem in the housing industry affecting Rock County's efforts to assist in the purchase of properties. Mr. Ramstad noted that the City of Beloit is active with the Merrill Project. To aid discussion, he explained, using the map, which properties are homeowner buildings and the three houses that are rental projects. It was reviewed that Rock County assisted \$5,000 for one home purchase and \$15,000 for the 1423 Hull Project in the past. Mr. Somppi explained that there are large procedural issues in the Home Consortium Program that raise some questions about any further investments from Rock County to the Merrill Project in the City of Beloit, outside of its normal service territory. RCHA cannot do what was done previously. Com'r. Wood asked about any use of Land Contracts in the Merrill Project. Mr. Ramstad said the Project cannot float the \$40-\$50,000 for a land contract but needs the money to continue the project. Vice Chair Grahn wanted to investigate this decision shutting down RCHA assistance to the Merrill Project. Staff will keep the RCHA informed about any rework of the 2002 Consortium agreement. Mr. Ramstad said that 6-7 families are working to repair their credit history so they might qualify and that the Project would need 2011 and 2012 to complete the construction. Mr. Ramstad closed noting that some previous HUD people are working as advisors to help and there was some hope to work through HUD development time limits and changing the goals of the funding.

7. **Set Date for Next Meeting:** Next meeting date was set for Monday, June 6, 2011, for the regular meeting.

8. **Adjournment:** Motion to adjourn by Com'r. O'Connell, 2nd by Com'r. Wood. The meeting was adjourned at 11:15 A.M from the on-site Merrill Project tour.

Respectfully submitted,

Neale Thompson, Assistant Secretary

(Planning\Housing Specialist\HA Meetings\Minutes\Minutes-05-02-11)

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