



AGENDA

REDEVELOPMENT AUTHORITY OF THE CITY OF STEVENS POINT

Members

- Chairperson Schlice
- Vice-Chairperson Gardner
- Alderperson Kneebone
- Commissioner Cooper
- Commissioner Kemmeter
- Commissioner Ladick
- Commissioner Barrett

Date and Time:	February 25, 2025 2:00 PM	Location:	Community Room 933 Michigan Avenue, Stevens Point, WI
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Opening Section:

1. Roll Call
2. Persons who wish to address the Board on specific agenda items other than a “Public Hearing” must register their request at this time. Those who wish to address the Board during a “Public Hearing” are not required to identify themselves until the “Public Hearing” is declared open by the Chairperson.
3. Public comment for pre-registered individuals for matters appearing on the agenda.

Discussion and Possible Action on the Following:

1. Approval of Minutes from the October 14, 2024 meeting of the Redevelopment Authority.
2. Discussion and update on executed Lease Agreement for Municipal Lot #8 Parking Facilities with North Side Yard LLC.
3. Discussion on future of Lot #8 Parking lot, parcel 281240832200421, and parcel 281240832200425.
4. Approval on sale of 1700 Strongs Ave.
5. Approval of modifications to existing housing grant and loan programs.
6. Approval of the creation of a Rental Improvement Loan Program.
7. Discussion on the creation of a Commercial Revolving Loan Fund.
8. Housing Loan and Grant Program Report
9. Update on former Shopko Site Developments
10. Adjournment.

PLEASE TAKE NOTICE that any person who has special needs while attending these meetings or needs agenda materials for these meetings should contact the City Clerk as soon as possible to ensure that a reasonable accommodation can be made. The City Clerk can be reached by telephone at (715) 346-1569 or by mail at 1515 Strongs Avenue, Stevens Point, WI 54481.

Maps further defining the above area(s) may be obtained from the City of Stevens Point Department of Community Development, 1515 Strongs Avenue, Stevens Point, WI 54481, or by calling (715) 346-1567, during normal business hours.

PLEASE TAKE FURTHER NOTICE that a quorum of the Common Council may be in attendance at this meeting.

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MINUTES
REDEVELOPMENT AUTHORITY
OF THE CITY OF STEVENS POINT

Members

- Chairperson Schlice
- Vice-Chairperson Gardner
- Alderperson Kneebone
- Commissioner Cooper
- Commissioner Kemmeter
- Commissioner Ladick
- Commissioner Barrett

Date and Time:	October 14, 2024 2:00 PM	Location:	Stevens Point Police Department, Community Room 933 Michigan Avenue, Stevens Point, WI 54481
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OR

[Zoom Teleconferencing](#)

**Meeting ID: 815 7245 8732 |
Passcode: 856104**

**By Phone: +1-312-626-6799 (US
Chicago)**

Opening Section:

1. Roll Call
 - Meeting called to order: 2:00PM
 - Present: Schlice, Gardner, Kemmeter, Ladick, Barrett
 - Excused: Cooper
 - Absent: Kneebone
2. Persons who wish to address the Board on specific agenda items other than a “Public Hearing” must register their request at this time. Those who wish to address the Board during a “Public Hearing” are not required to identify themselves until the “Public Hearing” is declared open by the Chairperson.
3. Public comment for pre-registered individuals for matters appearing on the agenda.

Discussion and Possible Action on the Following:

1. Approval of Minutes from the July 16, 2024 meeting of the Redevelopment Authority.
 - Motion: Kemmeter moves approval of the Minutes from the July 16, 2024 and to place the minutes on file.
 - Second: Barrett second the motion.

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- Discussion: None.
 - Vote: Unanimous approval.
2. Approval of modifications to the Housing Modernization Loan Program.
 - Background: Economic Development Specialist Klesmith presents recommended changes to establish a minimum loan value of \$10,000, clarification on change orders, and establishing a change order fee. Commissioner Barrett presents alternative conditional approval process.
 - Motion: Gardner moves approval of the modifications to the Housing Modernization Loan Program as presented by Klesmith with allowance for non-elective change orders.
 - Second: Kemmeter seconds the motion.
 - Discussion: None
 - Vote: Unanimous approval.
 3. Consideration of transferring Parcel 281240832202969 to the City of Stevens Point for purposes of environmental cleanup.
 - Background: Klesmith presents background information on the environmental contamination on the parcel, the parcel boundaries, and the need to transfer the parcel to the City for purposes of environmental remediation to be eligible for Environmental Protection Agency brownfield cleanup grant funds.
 - Motion: Gardner moves to transfer all of Parcel 281240832202969, bounded by Main Street, Church Street, and Centerpoint Drive, informally known as the Shopko Parking Lot, to the City of Stevens Point with the following conditions:
 - The land is transferred for the sole purposes of applying for an environmental clean up grant only
 - If the grant is awarded, the City will proceed with environmental cleanup as stipulated in the grant application
 - The City will transfer title of this property to the Redevelopment Authority at the conclusion of the cleanup and the closeout of the grant
 - In the event the grant is not awarded, the City will transfer the land back to the Redevelopment Authority immediately
 - The City shall not transfer any portion of this property to any other entity other than the Redevelopment Authority. The City shall not develop any portion of the property for any purpose, including parkland, and shall not transfer any portion of the property to any governmental entity other than the transfer back to the Redevelopment Authority.
 - Second: Kemmeter seconds the motion.
 - Discussion: Gardner clarifies that the intent is to assist with the environmental cleanup and requests if a developer approaches the City for the remainder of the land, discussions should resume. An attorney should be retained to ensure these conditions are documented.
 - Vote: Unanimous approval.
 4. Adjournment.
 - Meeting adjourned at 2:50PM.

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MEMORANDUM

To: Redevelopment Authority of Stevens Point
 From: Jarod Kivela, Director of Community Development
 Date: February 13, 2025

RE: Lot 8 Parking Lease with North Side Yard – Update on Executed Lease

 A short-term parking lease agreement with the operators of Northside Yard apartments for a limited number of parking stalls (20) in Public Parking Lot 8 has been carried out and recorded. Due to time constraints and minimal negative impacts of the agreement, City staff worked directly with the Chair of the Redevelopment Authority on the details and used that information to draft and to execute the agreement. Staff's intention was to formally notify the RDA of this agreement execution at the next scheduled meeting.

This lease will last through December 31st of 2026 as Northside Yard continues to operate their existing facilities and plan for additional development of the block. The arrangement should have a limited impact on existing City operations as Northside Yard has agreed to address snow clearing. No significant maintenance will be required by the City; only paint striping and signs will be provided as a part of this agreement. Monthly rent will reach \$1,000 per month by June 2025 and be deposited into the City of Stevens Point's parking fund.



■ Portion of Facilities Reserved for Lessee

Community Development staff are still considering this parking lot for redevelopment and have reserved the right to terminate the lease with a 6-month notice should a development opportunity that aligns with City needs and regulations be submitted to the Redevelopment Authority. The location of the leased parking stalls are highlighted in yellow in the image above.

www.stevenspoint.com

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910945

**Lease Agreement for Municipal Lot #8
Parking Facilities with North Side Yard LLC**

**CYNTHIA A. WISINSKI
REGISTER OF DEEDS
PORTAGE COUNTY
STEVENS POINT, WI
RECORDED ON
01/22/2025 07:54 AM**

Document Number

Document Title

REC FEE: 30.00

TRANSFER FEE:

PAGES: 5

FEE EXEMPT:

THIS IS A SWIFT DOCUMENT

Name and Return Address

City of Stevens Point
Kari A. Yenter, City Clerk
1515 Strongs Avenue
Stevens Point, WI 54481

Parcel No. 281240832200420

Parcel Identification Number (PIN)

Drafted by:

Andrew Logan Beveridge
Stevens Point City Attorney
1515 Strongs Avenue
Stevens Point, WI 54481
(715) 346-1556

Lease Agreement for Parking Facilities

Effective: 1/21/25

This Lease Agreement for Parking Facilities (Agreement), entered into this 21st day of January 2025, between the Redevelopment Authority of the City of Stevens Point (Lessor) and North Side Yard LLC (Lessee), collectively known as the "Parties."

In consideration of the covenants herein, Lessor agrees to share with Lessee certain parking facilities, situated in the City of Stevens Point, County of Portage and State of Wisconsin, hereinafter, the "Facilities." Facilities shall include the easternmost 20 general parking stalls within Municipal Parking Lot #8, described as:

All of Lot 1 of Portage County Certified Survey Map Number 11191-52-21, located in Government Lot 1 and the Northeast Quarter of the Northwest Quarter of Section 32, Township 24 North, Range 8 East, City of Stevens Point, Portage County, Wisconsin.

Facilities are shown on Exhibit A. The Facilities shall be shared commencing on the 21st day of January, 2025, and ending at 11:59 PM on the 31st day of December, 2026, hereinafter called the "Term."

Rent for the use of Facilities shall be paid monthly as follows:

Commencement Date – January 31, 2025:	\$ 0.00
February 2025:	\$ 200.00
March 2025:	\$ 400.00
April 2025:	\$ 600.00
May 2025:	\$ 800.00
June 2025 – thru end of Term:	\$ 1,000.00

The Lessee agrees to pay Rent on or before the 10th day of each month at 1515 Strongs Avenue, Stevens Point, Wisconsin, 54481. Lessor hereby represents that it holds legal title to the facilities.

The parties agree:

1. USE OF FACILITIES

Lessee shall have exclusive use of the Facilities. Use of Facilities shall be for exclusive vehicular parking during the Term of this Agreement.

2. MAINTENANCE

Pavement repair work, seal coating, lot sweeping, and striping of the Facilities may be performed by Lessor from time to time at Lessor's discretion. Lessor shall maintain lot and landscaping at or above the current condition, at no additional cost to the Lessee. Lessee may perform repairs and maintenance with approval from Lessor. However, under no circumstance shall Lessor be required to undertake any repairs for which the reasonable cost exceeds the consideration due from Lessee to Lessor over the Term of this Agreement.

Lessee shall provide all snow clearing services for all Facilities and notify Lessor of requirements necessary to provide adequate snow clearing of the Facilities.

3. SIGNAGE

Lessor shall provide signage designating the Facilities to be used by Lessee. Lessee may provide alternative signage designating usage allowances with written approval from Lessor, which approval shall not be unreasonably withheld.

4. ENFORCEMENT

Lessee and Lessor reserve the right to tow, at owners' expense, vehicles improperly parked or abandoned. Lessee shall be responsible for the enforcement of regulations on the Facilities through the Term.

5. COOPERATION

Lessor and Lessee agree to cooperate to the best of their abilities to mutually use the Facilities without disrupting the other party. The parties agree to meet on occasion to work out any problems that may arise to the shared use

6. INSURANCE

During the Lease Term, Lessee shall maintain in full force a policy of commercial general liability insurance, which policy shall name Lessor as an additional insured thereon. Such insurance shall be written for an initial combined single limit not less than \$1,000,000.00 individual, \$1,000,000.00 general aggregate, for bodily injury and property damage. Lessee may, at Lessee's option, carry an umbrella insurance policy covering amounts in excess of the policy limits required hereunder.

7. INDEMNIFICATION

Lessee agrees to defend, indemnify and hold harmless Lessor, and Lessor's members, employees and agents, from and against any and all claims, lawsuits, losses, liabilities, penalties, damages, judgments, costs and expenses, including without limitation reasonable attorneys' fees, whatsoever arising out of Lessee's or Lessee's tenants' use of the Facilities or based upon any act or omission on the part of Lessee or its subcontractors, employees, servants, agents, customers, and invitees, in relation thereto.

8. TERMINATION

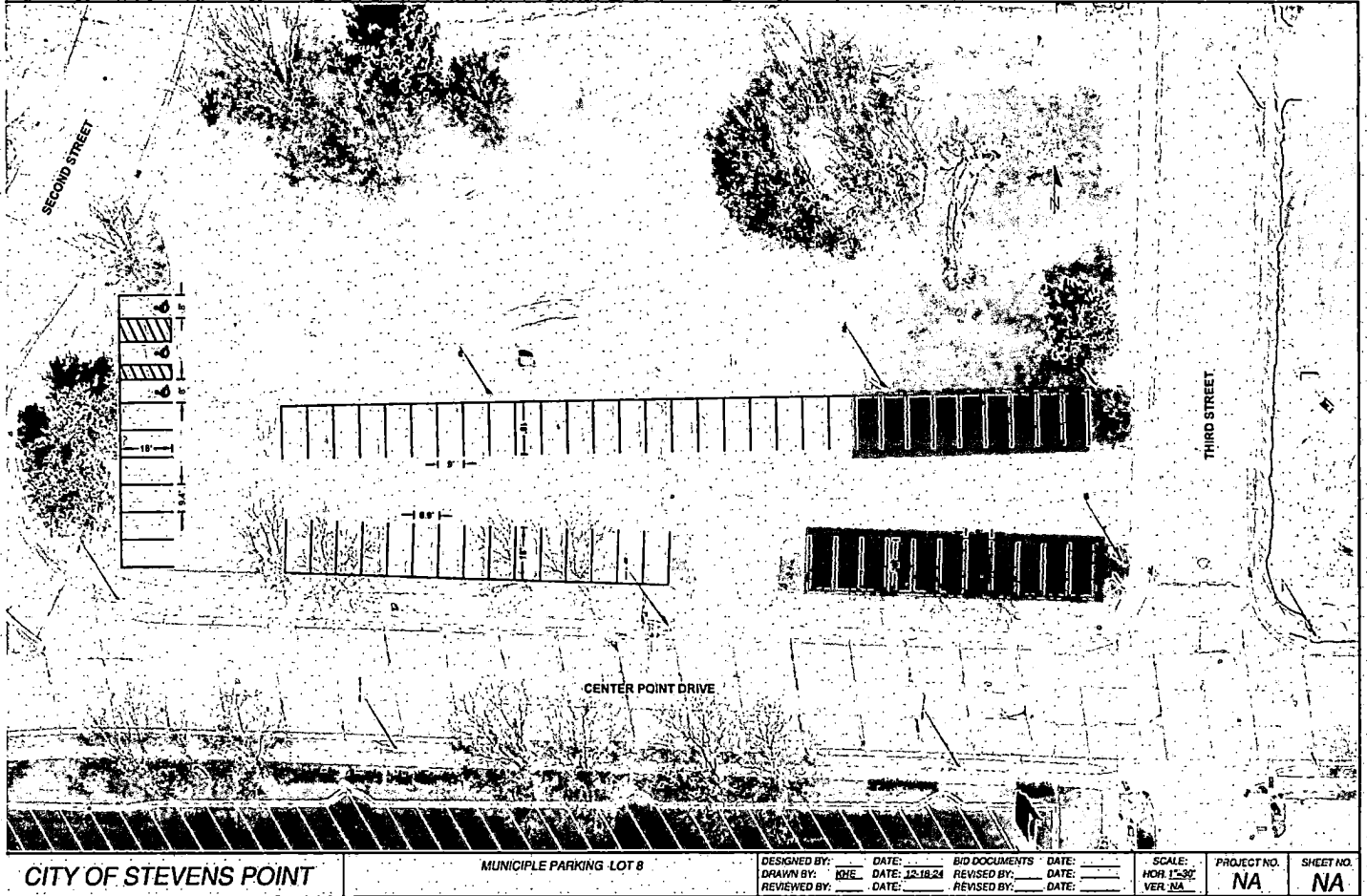
Parties shall notify each other at least 30 days prior to the end of the Term if either Party intends to terminate or renew this Agreement. Furthermore, Lessor shall provide Lessee reasonable notice of development plans and/or agreements that would prohibit the renewal of this Agreement.

Lessor reserves the right to terminate this Agreement before the end of the Term to facilitate redevelopment of the Facilities as needed. Lessor shall provide Lessee a notice of early termination at least six (6) months prior to the date of early termination.

Upon termination of this agreement, Lessee agrees to remove signage provided by Lessee.

Exhibit A

Location of Facilities



CITY OF STEVENS POINT

MUNICIPAL PARKING LOT 8

DESIGNED BY:	DATE:	BID DOCUMENTS	DATE:
DRAWN BY: RHE	DATE: 12-18-24	REVISED BY:	DATE:
REVIEWED BY:	DATE:	REVISED BY:	DATE:

SCALE:
HOR: 1"=30'
VER: NA

PROJECT NO.
NA

SHEET NO.
NA



Portion of Facilities Reserved for Lessee



MEMORANDUM

To: Redevelopment Authority of Stevens Point

From: Jarod Kivela, Director of Community Development

Date: February 14, 2025

RE: Future Development Opportunities for Vacant Parcels and Underutilized Parking Lot

The Redevelopment Authority of Stevens Point currently owns two vacant parcels and an underutilized parking lot that present key opportunities for future development. There has been notable interest from multiple developers, each proposing different visions for the site. To move forward, Staff seeks the RDA's preferred direction on the development approach.

Developer Interest and Proposed Concepts

Proposal 1: Dense, Urban Development

- Proposed a high-density project set closer to Centerpoint Drive with parking in the rear abutting the alley.
- Designed to provide an urban feel and a desirable density of units.
- Required a significant financial incentive from the City and necessitated relocating a large stormwater pipe beneath the current parking lot.
- Due to financial and logistical complexities, this proposal was tabled.
- The developer remains interested if the City is willing to address the financial and infrastructure challenges.

Proposal 2: Townhome Condos

- Proposed a lower-density townhome condo development.
- Designed to avoid the need to relocate the underground stormwater infrastructure.

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- Would be set further back from Centerpoint Drive, offering a different site layout than the first proposal.
- Provides a financially feasible option with fewer infrastructure challenges but significantly lower density.

Considerations for RDA Discussion

Given the different approaches and their respective advantages and challenges, Staff requests RDA's guidance on the following key questions:

1. **Timeline:** What is the preferred timeline for development of these parcels?
2. **Financial Feasibility:** What level of financial support or incentives is the City willing to offer to facilitate development?
3. **Density Preference:** What is the preferred level of residential density for this site?
4. **Site Layout:** Should the project be more urban with street-fronting buildings, or is a setback design acceptable?

Both proposals offer viable paths forward, with one prioritizing density and urban character while requiring significant investment, and the other emphasizing feasibility but at a reduced density. Staff seeks RDA's direction to align the development strategy with the City's broader redevelopment goals.



MEMORANDUM

To: Redevelopment Authority of Stevens Point
From: Jarod Kivela, Director of Community Development
Date: February 20, 2025
RE: 1700 Strongs Ave Lot Sale

When I first joined the City and RDA, a realtor approached me regarding the sale of an RDA-owned property at 1700 Strongs Ave. This 0.22-acre (9,600 sqft) property was formerly the site of an old church, which has since been removed and listed for sale.

A local buyer expressed interest in purchasing the property through the realtor assisting us. The buyer intended to build a single-family home with an accessory dwelling unit or a duplex, which ever was more feasible. After consultation with our zoning administrator, it was determined that pursuing a duplex would be the best course, though it required a zoning ordinance change to reduce the required lot size for a duplex from 10,000 sq ft to 8,000 sq ft. Fortunately, this zoning ordinance change was already under internal discussion and was approved by the Plan Commission and City Council.

With the zoning change finalized, the potential buyer is ready to move forward with the purchase, aiming to sign in the last half of February. The agreed-upon purchase price is \$31,000, which includes an additional \$1,000 to cover the 2.5% buyer's realtor fee (\$750). The City will also pay a 2.5% commission to our listing realtor, per the original agreement. The listing was originally at \$40,000.

Additionally, the buyer intends to utilize the Stevens Point Residential Infill Program to assist with funding the construction. The only deed restriction to be applied at closing will require the buyer to obtain final occupancy within 24 months, with a possible six-month extension subject to approval by the City of Stevens Point Chief Building Official and Community Development Director.

This represents a great opportunity to fill a vacant parcel and add much-needed housing units to the city's housing stock. The applicant is a part of a downtown business looking to expand and hopes to occupy one half of the duplex while renting the other half to a new coworker. This aligns with the city's goals of increasing residential density and supporting local business growth.

Request: Approval of lot sale to Rose Margareth Rose and James Lucas for the agreed purchase price.

www.stevenspoint.com

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SELLER'S CLOSING STATEMENT

Seller(s): Redevelopment Authority of the City of Stevens Point

Closing date: February 20, 2025

Closing time: 2:30 PM

Buyer(s): Rose Margareth Rose and James Lucas

Closing location:

McDonald Title Company
1059 Clark Street
Stevens Point, Wisconsin 54481

Property Address: 1700 Strongs Avenue
Stevens Point, WI 54481

Settlement with Buyer

1. CHARGE BUYER

Purchase Price 31,000.00

Total Buyer Charges: \$31,000.00

2. CREDIT BUYER

Total Buyer Credits: \$0.00

3. BALANCE DUE TO SELLER FROM BUYER

\$31,000.00

Settlement with Seller

7. BALANCE DUE SELLER (FROM LINE 3 ABOVE) \$31,000.00

8. CHARGES TO SELLER

Realtor Commission First Weber, Inc.(775.00)/First Weber, Inc.(775.00) 1,550.00

Owner's title insurance McDonald Title Company, Inc. 581.00

Final Sewer Bill Escrow McDonald Title Company, Inc. 100.00

2 Special Assessment Letters McDonald Title Company, Inc. 150.00

Deed, TTR & Closing Statement McDonald Law Office 250.00

Transfer Tax Register of Deeds 93.00

Total Seller Charges: \$2,724.00

9. NET PROCEEDS DUE TO SELLER AT CLOSING:

\$28,276.00

Seller _____
Redevelopment Authority of the City of Stevens Point By: John Schlice as agent

Seller _____
Redevelopment Authority of the City of Stevens Point By: Jarod Kivela as agent

Prepared For:
Closing Officer:
Telephone #: 715-344-3700
File #: AM-14916

WARRANTY DEED

This Deed, made between **Redevelopment Authority of the City of Stevens Point, a separate body politic and corporate** ("Grantor")

and **Rose Margareth Rose and James Lucas, an undivided one-half interest as tenants in common** ("Grantee").

Grantor, for a valuable consideration, conveys to Grantee the following described real estate in **Portage** County, State of **Wisconsin** (the "Property"):

Lots 197 & 198 Block 40 Strong, Ellis & Others Addition to the City of Stevens Point Excluding Southwesterly 40 Feet.

Reverter Clause: FAILURE TO OBTAIN OCCUPANCY. Owner shall promptly and diligently undertake to develop the Property with the construction of a residential duplex. Owner hereby commits to complete such construction and attain an occupancy permit within 24 months of the closing date.

If Owner fails to attain an occupancy permit within 24 months, the City is entitled to certain remedies. If Owner has failed to commence construction as evidenced by the execution of a contract for such construction and physical progress at a typical rate, the City may provide the owner with a written notice of intent to re-purchase the Property. Owner shall then have 30 days to prepare necessary closing documents and submit the same to the City's Community Development Department. The price paid to re-purchase the land shall be the sum of the original purchase price minus the sum of all of the following: 5% of purchase price realtor commission, the amount of any unpaid special assessment levied against the property, all unpaid property taxes, proration of the current years' property taxes to date of closing, the title insurance policy premium, and any liens and encumbrances on the property of a definite or ascertainable amount. The delivery shall be by warranty deed.

If after 24 months, construction has commenced but final occupancy has not been obtained, the City may provide the owner with a notice of violation and 14 days for corrective action. After the 14 days, the Owner shall forfeit to the City \$1,000.00 for every 7 additional days that pass until an occupancy permit has been issued. The City shall not unreasonably withhold such occupancy permit upon completion of construction and Owner's request for a final inspection.

Name and Return Address

McDonald Title Company
P.O. Box 630
Stevens Point, WI 54481
AM-14916

281-24-0832400924

Parcel Identification Number (PIN)

This is not Homestead property.

Grantor warrants that the title to the Property is good, indefeasible in fee simple and free and clear of encumbrances except: covenants, conditions, restrictions and easements of record and except any portion thereof used for road purposes.

Dated this _____ day of **February, 2025**.

_____(SEAL)
Redevelopment Authority of the City of Stevens Point
By: John Schlice as agent

_____(SEAL)
Redevelopment Authority of the City of Stevens Point
By: Jarod Kivela as agent

_____(SEAL)

_____(SEAL)

AUTHENTICATION

Signature(s) _____

Authenticated this _____ day of **February, 2025**

Authorized by § 706.06, Wis. Stats.)

THIS INSTRUMENT WAS DRAFTED BY

Attorney Robert E. McDonald

McDonald Law Office

* _____
TITLE: MEMBER STATE BAR OF WISCONSIN
(If not, _____)

ACKNOWLEDGMENT

State of Wisconsin,

} ss.

Portage County.

Personally came before me this _____ day of **February, 2025** the above named **John Schlice and Jarod Kivela, agents for the Redevelopment of the City of Stevens Point** to me known to be the person(s) who executed the foregoing instrument and acknowledged the same.

*

Notary Public, State of Wisconsin

My Commission expires: _____



Memo

Mark Kordus
Neighborhood Improvement Coordinator
 Community Development
 City of Stevens Point
 1515 Strongs Avenue
 Stevens Point, WI 54481
 Ph: (715) 346-1554
 mkordus@stevenspoint.com

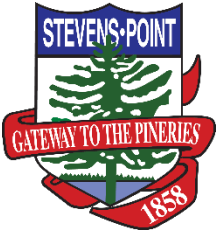
To: Redevelopment Authority
 From: Mark Kordus – Neighborhood Improvement Coordinator
 CC: Jarod Kivela, Chris Klismith
 Date: February 13, 2025
 Subject: Potential Changes to Neighbor Helping Neighbor (NHN) Grant Program

There are two potential changes we would like to propose and Redevelopment Authority to consider for Helping Neighbor (NHN) grant program. Looking toward program longevity and targeting those most in need, also given the high level of participation (13-15 grants per year), we would propose lowering the income standards to 60% of the low to moderate income standards (LMI) for Portage County. Currently we are at 80%, lowering it would also be in line with the lower end of the loan income standards which is currently at 60%. Therefore, those not qualifying for a loan would be eligible for a grant, but would not be able to “double dip” into both funding sources as is currently possible for those between 60-80% LMI. There have been only 2 grants that would have been affected by lower income standards during the life of the NHN grant program. Both of those were large projects which the owners paid for out of pocket and were reimbursed, meaning the owner had paid all costs out of pocket, at least on the surface appearing the grant funding was not necessary for the project. Most payments are direct to contractors as applicants seldom have the funds to pay them directly. The proposed revised income standards based on 2023 are below, they are typically updated in April for the previous year.

Household size	1	2	3	4	5	6	7	8
60% Income Limit	\$41,640	\$47,580	\$53,520	\$59,460	\$64,260	\$69,000	\$73,740	\$78,540

The other change proposed would be a requirement in the grant agreement that if the property is sold, or ownership transferred, within one year of the final payment being issued, there would be a requirement for the funds to be reimbursed back to the City. This has happened only once when a homeowner needed a new roof (likely as a condition of the sale), the property was sold less than 60 days after the roof was replaced. This would be relatively simple to monitor as we can keep an open grant code case for 1 year after final payment is issued within GovPilot. All special assessment letters from title companies come through our department and this would be noted, and a copy of the signed grant agreement provided if the sale was less than 1 year after final payment was issued.

As with all our programs these are ultimately works in progress, learning a little more as we go along each year. These are two proposed changes that fit well within the larger framework of all grant and loan programs, while being mindful of potential for misuse of funds outside their intended purposes, or where they truly aren't necessary, such as during a property sale.



Memo

Chris Klesmith
**Neighborhood Planner / Economic
Development Specialist**

City of Stevens Point
1515 Strongs Avenue
Stevens Point, WI 54481

(715) 341-4171 | cklesmith@stevenspoint.com

To: Redevelopment Authority
From: Chris Klesmith
CC: Jarod Kivela
Date: February 13, 2025
Subject: Modifications to Existing Housing Grants and Loans

Commissioners,

In addition to the changes proposed for the Neighbor Helping Neighbor grant, Staff are proposing an adjustment to the language of all grants and loans. Staff are recommending revising each program to include the following language to ensure that all grant and loan applicants are first reviewing other tools prior to contacting City staff to utilize program finances, and to ensure that residents are not being double reimbursed for repairs. This language will be added to each grant and loan application:

“Prior to applying for any City housing improvement programs, residents and property owners should first confirm if the programs below may be used to improve the property. These programs should be utilized prior to any City housing programs, and funds from these programs may not be used as match to City housing programs.

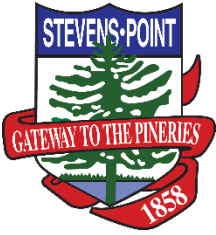
- Energy Services of Portage County, <https://esiwi.com/who-we-serve> and 715-344-5999
- CAP Services – Weatherization, Housing Rehabilitation, <https://capservices.org/our-services/housing-transportation/rehab/> and 715-343-7164 (Weatherization) or 715-340-5828 (Housing Rehabilitation)
- Stevens Point Water and Sewer Public Utilities - lateral replacement for water and/or sewer lines <https://stevenspoint.com/1455/Lateral-Line-Replacement-Program> and 715-345-5260”

To date we have not yet had an applicant utilize programs from multiple agencies to perform repairs and hope to maintain that record while maximizing the utilization of each pool of funding. Recently we have been able to assist CAP Services in acquiring two clients for more comprehensive repairs.

Staff would recommend approval of adding this language to each program (Neighbor Helping Neighbor, Multifamily Rental Conversion, Residential Infill, and Housing Modernization) as well as the adjustments specific to the Neighbor Helping Neighbor grant.

Cheers,

Christopher Klesmith
Neighborhood Planner & Economic Development Specialist
City of Stevens Point



Memo

Chris Klesmith
**Neighborhood Planner / Economic
Development Specialist**

City of Stevens Point
1515 Strongs Avenue
Stevens Point, WI 54481

(715) 341-4171 | cklesmith@stevenspoint.com

To: Redevelopment Authority
From: Chris Klesmith
CC: Jarod Kivela, Mark Kordus
Date: February 13, 2025
Subject: Rental Improvement Program

Commissioners,

Staff had previously recommended the approval of a Rental Improvement Loan Program to complement owner-occupied housing programs and achieve goals outlined in previous housing studies and taskforce reports. Since our last discussion, staff have also connected with agencies in Oshkosh and Waukesha to gain understanding of their programs and advise the approval of a successful rental improvement loan for Stevens Point. Below are highlights of revisions and of the City of Waukesha's program, which is profoundly more used than the City of Oshkosh's.

- **Revised Scoring Matrix.** Scoring on cash flow of the property has been removed as it debatably incentivizes higher rents. Requirements for tenant access (affordability, housing assistance) is maintained as a requirement.
- **Partial Loan Forgiveness.** Qualified non-profit organizations would be eligible for partial loan forgiveness depending on the loan terms they would prefer, either 5 or 10 years.
- **Increased Loan Maximum.** Given the economies of scale of renovations and recommendations from other loan managers, loan maximums for smaller buildings have been increased to \$15,000 per unit for buildings less than 4 units.
- **Total Outstanding Loans.** Previously, the proposed program would only allow up to one loan per property owner. Recommendations have been made to set a maximum outstanding loan balance (\$120,000, or 1.5x the maximum loan amount) to allow owners of multiple properties to receive loans, especially if their payment history is strong.
- **City of Waukesha Input.** Staff from the City of Waukesha have utilized their rental improvement loans to support the renovation of Low-Income Housing Tax Credit projects, but primarily have focused on smaller buildings since 2011. Majority of their loans have been made to owners of few rental properties, and impacting properties designed for 1-3 family buildings.

One of the questions posed to staff previously is if the program should be restricted to property owners earning less than a certain income. Some other communities employ rent restrictions (similar to what is outlined in our proposal) while others offer more favorable rates to property owners who are also income qualified. Staff recommends approving the loan program as presented with an initial allocation of \$120,000 and to either consider or approve a reduced rate (1% lower than the common rate) for property owners at or below 80% of the area median income to promote program utilization.

Cheers,

Christopher Klesmith
Neighborhood Planner & Economic Development Specialist
City of Stevens Point



Rental Improvement Program

Please read and fill out the application in its entirety, ensuring all relevant attachments are included upon submittal. Questions about the application process and pre-application meetings should be scheduled via email to cklesmith@stevenspoint.com or by calling the office at (715) 341-4171 any time M-F, 7:30am-4:00pm. Completed applications and attachments may be sent to cklesmith@stevenspoint.com or mailed to **Community Development Department, 1515 Strongs Avenue, Stevens Point, WI 54481.**

Prior to applying for any City housing improvement program, residents and property owners should confirm if the following funds may be used to improve the project and property:

- Energy Services of Portage County, <https://esiwi.com/who-we-serve> and 715-344-5999
- CAP Services – Weatherization, Housing Rehabilitation, <https://capservices.org/our-services/housing-transportation/rehab/> and 715-343-7164 (Weatherization) or 715-340-5828 (Housing Rehabilitation)

Program Overview

This program is designed to support residents who lease and rent housing in the City of Stevens Point by providing the owners of rental properties in Stevens Point a low-cost financing vehicle for property improvements. Such financing will accelerate improvements to rental housing stock and to 1) preserve the affordability of rental housing, and/or 2) promote the housing of residents struggling to locate a housing option. Approved applicants will receive a low-interest rate loan (2% simple interest) for eligible property improvements paid back in a 10-year term. Recipients are then required to report annually how they are meeting the affordability or access goals of the program.

Eligible Program Participants

The Rental Improvement Program is available to all owners of rental properties in the City of Stevens Point. Homeowners seeking financial assistance for their own homes eligible for other programs which are available online at stevenspoint.com/595/Homeowner-Help.

In addition, the applicant must be current on municipal taxes, charges, and utility payments.

Eligible Properties

- Any residential rental property within the City of Stevens Point that was constructed at least 30 years ago.
- Rental properties must pass a simple health and safety inspection. The applicant agrees to allow City staff who manage the program to perform a brief habitability inspection of the eligible property as a part of the application process. The inspection form is attached to this application.

Total Allowable Funds

For projects impacting less than four (4) units, up to \$15,000 per unit improved may be requested; for projects impacting four (4) to eight (8) units, up to \$10,000 per unit may be requested. The applicant shall not exceed a loan to value ratio of 1.0 as determined by the Fair Market Value provided by the City of Stevens Point assessors. The applicant shall not have more than \$120,000 in outstanding debt from this program.

Scoring Criteria

The Rental Improvement Program is a competitive program with limited funding. Property owners are expected to submit a full project narrative addressing the criteria on the following pages. It is the intent of this program to result in noticeable improvements while minimizing the impact those improvements may have on the cost for the property owner and tenants.



To be eligible for a loan through this program, the applicant must acquire at least 12 points and will be selected competitively against other applicants.

Scoring Rubric – For Internal Use Only

Criteria Name	Scoring	Value
Type of improvement (Max of 3 points)	Improvements that increase the interior livability and/or energy efficiency of the property (3 points). Exterior livability and aesthetic improvements (2 points). Emergency structural and utility repairs (1 point). Non-emergency structural repairs to properties (0 points).	
Matching of funds (Max of 3 points)	100% or more (3 points). 50% to 99% match (2 points). 25% - 50% match (1 point). No contribution (0 points).	
Impact to monthly rent (Max of 2 points; will accept the higher point category. FMR identified by rentdata.org)	Little to no increase in monthly rent (<10%) or rent stays under 80% market rate (2 points). Moderate change in monthly rent collected (<25%) or rent stays under 100% market rate (1 point). Significant change in monthly rent collected (>25% increase in rent) or rent increases to or above median monthly rent (0 points).	
Number of Units Improved (Max of 7 points)	1 point per unit above 1 (up to 7 points).	
Frequency of Rental Improvement Program Use (Max of 3 points)	Owner has not received RIP loan in 3 or more years (3 points). Owner has not received RIP loan in previous calendar year (2 points). Owner has received a RIP loan in previous calendar year (1 point).	
Tenant Access Improvement (1 req'd; max of 6 points)	Owner agrees to rent to one or more of the following: accept Section 8 housing vouchers or similar waiver, RentReady graduates, and/or owner agrees to freeze rent for duration of the loan. (2 points each).	
History of Property Improvements (Max of 3 points)	In the past 5 years, owner has invested in improvements across existing properties in Stevens Point: \$50,000 or more (3 points) \$25,000-\$49,999 (2 points) Less than \$25,000 (0 points)	
History of Owner's Property Violations (Max of -7 points)	For each property violation resulting in a service fee or citation in the past 3 years, -1 point.	
FINAL SCORE		



Terms

Below are the general terms that will apply for each loan:

- One loan may be awarded for each property **up to \$15,000 per unit improved, for a maximum of 8 units**. No borrower may exceed \$120,000 in outstanding loans through this program. A mortgage for the total amount disbursed will be recorded on the property. Down payments may be paid directly through the program or the property owner, depending on the needs of the project. Following successful inspection of completed work, funds will be distributed directly to the identified contractor(s).
- Recipient shall be responsible for paying loan preparation fees which will be included in the loan amount. These fees include:
 - Mortgage Recording (\$30) paid to Portage County Register of Deeds.
 - Title Review (\$100 for up to 2 adjacent residential parcels, \$150 for parcels zoned as commercial).
- Recipient must pay the loan back to the City of Stevens Point on a monthly payment schedule. Payment will be collected on the 1st day of each month. A 10-day grace period on payments will be granted.
 - The City of Stevens Point will establish a recurring ACH withdrawal from the recipients account of choice. If recipient is unable to establish ACH payments, payments may be made online or checks may be made to “City of Stevens Point” with the memo “Rental Improvement Program”. Checks can be delivered to 1515 Strongs Ave, Stevens Point, WI 54481, ATTN: City of Stevens Point Treasury.
 - If recipient will become unable to fulfill payments, it is the responsibility of the recipient to inform Community and Economic Development staff as soon as possible.
 - If a payment is delinquent by at least 10 days, a late fee of \$30 will be assessed.
 - Non-sufficient fund fees (\$30) and disputed transaction fees (\$30) are passed to the applicant.
 - Payments may be deferred one time for up to a total of 6 consecutive months.
 - Applicants are **strongly encouraged** to reach out to Community and Economic Development staff to be connected with financial planning assistance to recorrect loan payments.
- Loan payments begin after all project components are complete, when all funds have been distributed to the contractor(s), and change orders completed. If work is not complete by the original agreed upon date, the City may begin collecting payments and notify the recipient in writing.
- Loan must be repaid in full before sale of the property.
- The recipient will be required to meet *at least* one of the “tenant access improvements” defined in the scoring rubric. If the recipient ceases to provide the agreed upon tenant access, the loan will be adjusted to the bank prime rate plus 3 percentage points.
- Qualified 501(c)3 organizations that provide benevolent housing may be eligible for partial loan forgiveness. Only organizations that provide proof of non-profit status and financial audit by a CPA, reviewed and confirmed by the City Attorney, are eligible for loan forgiveness. Forgiveness may be provided through one of the methods below:
 - Five (5) years of completed loan payments at 100% of the monthly payment amount required to satisfy the original loan.
 - Ten (10) years of completed loan payments at 50% of the monthly payment amount required to satisfy the original loan.

Additional Requirements

- Applicants shall submit all required mortgage, income, and property information to the Community and Economic Development Department prior to a pre-application meeting.



- If an applicant's property lies within a 1% or higher flood plain (as determined by [FEMA](#)), the applicant must carry an amount of insurance equal to or greater than the value of the first mortgage and loan to be awarded.
- A pre-application meeting to review eligibility requirements, loan amount and terms, and project specifics is required with City staff prior to applying.
- Funds cannot be applied to improvements that have already been started or completed.
- All change orders must be approved by the City.
- All work requiring a contractor must be performed by licensed and insured contractors, with the applicant having acquired a minimum of two cost estimates from two different contractors. If work is being performed by the homeowner, cost estimates from two suppliers are required.
- If applicable, permits must be obtained prior to starting any work.
- Owners or owners' direct relatives cannot be compensated for their labor or time on the project.
- After the loan is approved, applicant must add the City of Stevens Point as a mortgagee to their home insurance policy.

Project Selection

- Applications will be accepted on a first-come, first-served basis. Loan funds are limited, and funding is not guaranteed even for projects that otherwise qualify. Projects will be reviewed and awarded every quarter (February, May, August, November) as long as funding is available in the program year. Projects must meet a 15-point minimum in order to qualify.
- Applicants may resubmit their application if their application does not meet the point threshold.

Application & Loan Process

- Applicant discusses, in person, over the phone, or via email the program, eligibility, and proposed property and project(s) with Community & Economic Development staff. Staff inspection is scheduled.
- Following inspection, Applicant prepares application and submits it with all necessary documents, including:
 - Cost estimates from licensed contractors or approved suppliers.
 - Proof of insurance.
 - Any outstanding mortgages and/or liens on the property.
 - List of all properties owned, including those under a separate LLC.
- Application is reviewed, scored, and awarded or denied.
- Contractor(s) and applicant sign agreement, contractor(s) provide a W-9 to the City of Stevens Point.
- Staff requests any necessary downpayments from City Treasury.
- Applicant signs Borrower Certification, Mortgage Note, and agreement. Applicant or contractor(s) apply for all applicable permits to begin the project.
- Staff records Mortgage Note at Register of Deeds. Downpayments are distributed.
- Work begins. All change orders reported to City Staff. Loan adjustments are made, if necessary.
- Staff will request payment to contractors after permitted work is complete and passes inspection. Payment is disbursed in 30 days or less.
- Loan repayment begins. Tenant access improvement agreements are reviewed annually.

The Redevelopment Authority may grant exceptions to any of the requirements for this program.



Application Number (Office Use Only)

Applicant Information and Project Narrative

Applicant Information

Name of Applicant:

LLC Name, if applicable

Contact Phone

Email

<input type="text"/>	<input type="text"/>	<input type="text"/>
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Name of Co-Applicant(s)

LLC Name, if applicable

Contact Phone

Email

<input type="text"/>	<input type="text"/>	<input type="text"/>
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Property Address

Build Date and Assessed Value (City-provided)

If owned by an LLC, please list all members of the LLC below or attach the LLC's articles of incorporation:

LLC Name	Contact Name	Contact Phone	Contact Email



Project Narrative

Describe the scope of work being performed to update the property, including number of units directly impacted. Please address how the improvements will impact rent costs and indicate if the rental unit will be reserved for Rent Ready graduates. *Attach additional sheets if necessary:*

Property Improvement History

Please provide you or your company’s property improvement history in the City of Stevens Point in the past 5 years up to \$50,000 of improvements. If possible, please site building permit identification as proof. If no building permit was necessary for the improvements, please provide proof of the improvements. If unable to locate building permit information, City staff will assist.

Property Address	Improvement Made	Improvement Cost	Building Permit # or Proof Attached



Application & Loan Terms

Date of Application: _____

Date of Pre-Application Meeting/Call: _____

Application Number: _____

Pre-Application Meeting By: _____

The applicant must provide the following information in addition to the application fields:

Requirements:

Yes No N/A

Proof of Insurance
(Attach insurance policy)

Is the building situated within a flood plain?
(City attach FEMA verification)

Monthly Mortgage Statement
(Please identify your monthly PITI costs)

List all properties owned in the City of Stevens Point
(Used to identify other permitted property improvements)

Verified No Municipal Taxes or Utility Fees
(Attach signed utility release)

Cost estimates from contractors/suppliers
(Attach estimates with clearly identified contractors/suppliers)

Preferred Payment Account / ACH Authorization
(Attach completed ACH Authorization form)

Basic Habitability Review
(Internal)

After Approval and/or Construction:

Mortgage Recorded

Final Inspection & Occupancy Approval

Updated Home Insurance Policy

<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>



Rent Impact and Rent Agreement

Please indicate how the proposed improvements will impact the rent required by tenants at the improved properties.

Unit Address	Number of Bedrooms	Previous Rent	Rent Following Improvements

Circle all rental agreements made for the improved property: I will agree to rent my unit(s) to **RentReady graduates, Section 8 voucher recipients, or freeze my rent for the duration of the loan** and will verify this agreement annually.

Loan Payment & Terms

Loan payments will be collected on the 1st of each month following final inspection. For a detailed account of the payment terms, see your attached [Mortgage Note and Borrower Certification](#). This section will be prepared by staff and communicated to recipients with a Truth in Lending form.

Monthly Payment Amount:

Estimated Length of Loan

Applicant Signature Date

Co-Applicant Signature Date

Print Name

Print Name



Memo

Chris Klesmith
**Neighborhood Planner / Economic
Development Specialist**

City of Stevens Point
1515 Strongs Avenue
Stevens Point, WI 54481

(715) 341-4171 | cklesmith@stevenspoint.com

To: Redevelopment Authority
From: Chris Klesmith
CC: Jarod Kivela
Date: February 13, 2025
Subject: Commercial Revolving Loan Fund

Commissioners,

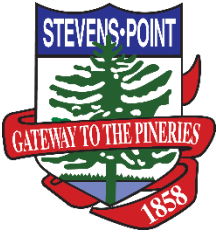
In addition to several major development opportunities outlined in the Downtown Targeted Area Master Plan that this body jointly approved, staff are becoming increasingly aware of additional need for financing of business development and property rehabilitation in the downtown. Community Development staff have been working with owners of existing properties and businesses downtown to understand their financing gaps and discuss what tools are available to them.

After discussing with property owners (new and historic properties) and business owners planning expansions, current financing rates are making it increasingly difficult for projects to be cash flow positive. Currently the only revolving loan funds available to business and property owners downtown are the Central Wisconsin Economic Development Fund, CAP Services commercial loans, and Kiva loans. None of these tools seem to be meeting the needs of businesses aspiring to elevate wages for their employees or result in thorough property rehabilitation due to their financing rates, maximum loans, and/or eligibility requirements. As such, staff thinks it appropriate at this point to establish a revolving loan fund specific to Downtown Stevens Point to assist in business expansion, property rehabilitation, and real estate development efforts that align with the targeted area plan.

Staff have been diligent in applying the EDA's recommended best practices for commercial revolving loan funds while designing this fund. Staff have distributed a survey to all property and business owners downtown to finish designing the revolving loan fund and we are currently evaluating our options for financial assistance to fund the program. Our strongest option for acquiring support is the Intermediary Relending Program (IRP), which would benefit from having local match dedicated to the fund equal to 50% of the requested loan amount. Our anticipated loan request would be \$500,000, resulting in a local match of \$250,000. Please be prepared that staff will likely be requesting approval of financial support from the Redevelopment Authority to apply for the Intermediary Relending Program and would like to request a member of the Redevelopment Authority with lending experience to advise a loan review committee. If our application to the Intermediary Relending Program is not successful, staff will consider establishing the revolving loan fund without federal support.

Cheers,

Christopher Klesmith
Neighborhood Planner & Economic Development Specialist
City of Stevens Point



Memo

Chris Klesmith
**Neighborhood Planner / Economic
Development Specialist**

City of Stevens Point
1515 Strongs Avenue
Stevens Point, WI 54481

(715) 341-4171 | cklesmith@stevenspoint.com

To: Redevelopment Authority
From: Chris Klesmith
CC: Jarod Kivela, Mark Kordus
Date: February 13, 2025
Subject: Housing Grant and Loan Report - 2024

Commissioners,

Staff are proud to report a year of continued use of all housing grants and loans, including use of the former Residential Demolition program. Below is a summary of the impact of each of the programs.

- **Neighbor Helping Neighbor Grant.** Neighbor Helping Neighbor continues to be a flagship program, assisting residents to perform exterior and habitability repairs of their homes. In 2024, 11 new grants were approved, averaging \$4,534 per grant.
- **Multifamily Rental Conversion Grant.** Two multifamily rental conversion grants are currently in progress. The developer-led project that began in 2023 has selected the future homeowner for the project and will complete the project in 2025. Another owner-led conversion project was approved and is anticipated to be complete in 2026.
- **Residential Infill Program.** Two projects were supported in 2024 through the Residential Infill Program. One home was demolished on the west side of the City, and the conversion of a garage to a single-family home was completed, totaling \$37,100 of disbursements. Staff have received 13 additional inquiries on the program for 8 currently vacant parcels.
- **Housing Modernization Loan Program.** Three loans were closed in 2024, bringing the total amount of loans in repayment to 7 and the loan balance as of 1/1/25 to \$96,837.43. Staff currently have the capacity to administer 20 loans at any point in time.
- Staff had been contacted by 20 applicants in 2024, resulting in 17 approved projects.

Staff will be co-hosting the local housing programs information session on Wednesday, March 26th from 6-7PM with CAP Services. A postcard was delivered to advertise all of the programs as well as this informational session, and we anticipate a year of continued use and growth of the programs in 2025.

Cheers,

Christopher Klesmith
Neighborhood Planner & Economic Development Specialist
City of Stevens Point