

**The JOINT CD and FINANCE Committees** held a meeting on **Monday, January 29<sup>th</sup>, 2024** beginning at 6:45 P.M.

**Committee Members Present:** Chair Mitchell, Stewart, Oswald, Armstrong Davis, Callahan, Schneider, Tollett, Siwierka, Cerra, Lipian

**Administration and Department Heads Present:** Mayor Brubaker, Safety Service Dir Pyanowski, Finance Dir Pileski, Asst Finance Dir Farrell, Law Dir Deery, Water Team Leader Jacob, Engineer Schneider, Asst Dir Calvert, Building Official Farkas, Community Development Dir Scott

**1. Approval of the Joint Meeting Minutes from November 27<sup>th</sup>, 2023.**

*Motion made by Mr. Cerra, seconded by Mrs. Mitchell to approve the said minutes.*

**MOTION CARRIED**

**2. The matter of a request for an exception to the City's Subordination Policy for rehabilitation loans.**

Referred By: CD Director Scott

Director Scott said the property owner of 154 Bell Ave has put in a request to an exception to the City's subordination policy so she can proceed with a reverse mortgage. This would allow her to pay her property taxes and homeowners insurance and to provide with some cash out to assist with debt relief and to provide assistance to build an addition onto the home. She is on a fixed income, the City's policy states that no subordinations will be granted where the total of all existing and mortgages and liens against the property would exceed 90% of the value. Also, no subordinations will be granted where the mortgage includes cash out unless the total of existing and proposed mortgages and liens is less than 70% of the value. The bank appraised the value at \$84,000. So, the loans total to under \$145,000 which would put that at 173% of the value of the home. A waiver of the subordination policy is being requested. The applicant is current on property taxes. The City's loans are forgivable in the year 2027. Due to the total liens exceeding 90% of the appraised value and the fact that cash out is requested and will exceed the 70% marker, the CD Dept is not in favor of this request.

Mrs. Davis stated that there is not enough information about this property and the request of this loan and she is requesting further information.

Mr. Oswald asked if there is anything in writing as to what they will do with the money they are requesting for the remodeling in the home? He agrees more information is needed regarding this request.

Dir Scott said she does not have a quote or a copy of a contract from the homeowner.

Law Dir Deery said if the committee is considering this with additional information and if the applicant would agree to not take cash out.

The City's loan is just from 2022, the City provided \$19,000 to put into the home. It is of concern that liens total 173% of the value.

Mr. Schneider asked if they knew how she will fund the renovation.  
Dir Scott said no, that was not indicated.

Mrs. Siwierka if the applicant is going thru a local lending institution? She said she agrees with Mrs. Davis that we need more information as to where this money is going to go and what are the intended improvements.

Dir Scott said the loan is from Senior Settlement Services and she didn't have information as to where they are located, possibly out of NY.

Mrs. Mitchell said the rules say the lien cannot exceed 90% and she's at 173%. She's already exceeding that for whatever she wants the money for.

**Chair asked for a motion to Table this matter.**

**COMMUNITY DEVELOPMENT:**

**Motion was made by Mr. Oswald and second by Mrs. Mitchell to Table this matter until more information is presented.**

**MOTION TABLED**

**FINANCE:**

**Motion was made by Mr. Cerra and second by Mrs. Davis to Table this matter until more information is presented.**

**MOTION TABLED**

There was no other business for Community Development and Chair asked for a motion to adjourn.

**Motion made by Mr. Schneider and second by Mr. Oswald to adjourn the Community Development Committee at 7:00 P.M.**

**MOTION CARRIED**

*The evening's Committee Development Committee has adjourned at 7:00 P.M.*

*The evening's meetings continued with The Finance Committee Meeting which began at 7:05 P.M.*

Respectfully Submitted by,  
Colleen Rosado, Secretary/Administrative Assistant