



City of Madison

City of Madison
Madison, WI 53703
www.cityofmadison.com

Meeting Minutes - Approved COMMUNITY DEVELOPMENT AUTHORITY

Tuesday, November 9, 2010

12:00 PM

215 Martin Luther King, Jr. Blvd.
Room 313 (Madison Municipal Building)

~ JOINT COMMUNITY DEVELOPMENT AND CAPITAL REVOLVING FUND SUBCOMMITTEES MEETING ~ PLEASE NOTE CHANGE IN MEETING TIME

CALL TO ORDER / ROLL CALL

The Chair acknowledged the presence of Deraru Rittler, a U.W.-Madison Journalism student.

Present: 3 -

Tim Bruer; Kevin M. O'Driscoll and Kelly A. Thompson-Frater

Excused: 4 -

Gregg T. Shimanski; Julia S. Kerr; Alice J. Fike and Stuart Levitan

1 APPROVAL OF MINUTES: September 21, 2010

A motion was made by O'Driscoll, seconded by Thompson-Frater, to Approve the Minutes. The motion passed by voice vote.

2 PUBLIC COMMENT: None

NEW BUSINESS

3 BURR OAKS SENIOR HOUSING UPDATE

Erdman provided the Burr Oaks Senior Housing update:

- Closing set for November 18
- CDA is managing member of LLC
- Wells Fargo Lender
- CDA to receive \$355,000 at closing
- Horizon will take construction guarantee
- Everything is in order
- Date not yet set for ground breaking
- Bruer commended and expressed appreciation to Real Estate staff for bringing demolition project under budget and its outstanding community and economic development efforts

- 3a [20481](#) CDA Resolution No. 2994, authorizing the Community Development Authority, the Chairman and the Executive Director to take certain actions to develop 50 units of affordable housing known as Burr Oaks Senior Housing Project in the Badger-Ann-Park Redevelopment Area.
- Item was referred.

4 **TRUAX PARK UPDATE**

Erdman provided the Truax Park update:

- Construction is underway
- 14 workers have been hired from the neighborhood in different trades
- Commended the on-site staff for efforts in moving the residents

5 [20691](#) **PRESENTATION OF BURR OAKS/ANN STREET PHASE II PLANS**

Bruer introduced Mike Slavish, President of Hovde Properties, LLC, and thanked him for the courage he has displayed as pioneers in development. Mr. Slavish made the presentation on the Phase II plans. He distributed and reviewed an aerial sketch and Master Plan (Phases I and II) of the Ann Street Conceptual Site Design. Phase I includes 30,000 square feet of clinic space with 100 parking stalls. Phase II includes 360,000 square feet of office space with 75 parking stalls:

- Involved in process for five years.
- Looking at ways to breathe life back to this area.
- Employee Trust Fund building (ETF) could be a catalyst due to its potential expansion.
- Has option on two parcels in order to respond to the RFP, which is now on hold.
- DOA and others understand what City has done and how this is part of a bigger strategy: A broader vision shared by public sector is critical to the success of this process.
- U.W. has come out with RFP for clinic.
- The Master Plan calls for a larger mixed-use development, including the removal of blighted properties and the relocation of Perry Street to the left.
- Absent the clinic and the ETF building it would be difficult getting the development moving.
- Project is well within TIF boundaries.
- Important to send message that this is a real meaningful development.
- Mayflower Hotel is pivotal and must be addressed initially.
- There is a role for City/CDA assistance with road construction and removal of blighted properties.
- O'Driscoll noted that the site has some potential in that it is visible from the Beltline and has office space with free parking.
- This is an important corridor for the city.
- Bruer thanked him for his efforts and expressed the Subcommittee's

support in working with him going forward.

6 ALLIED DRIVE PHASE 2 UPDATE

Erdman presented the Allied Drive update:

- Highlighted the 2010 pre-development project budget in the CDA General Fund.
- Funds still left for design work.
- 24 lots will be available.
- Has been talking with persons familiar with home buying education/process, lenders, builders and realtors.
- Work to do on Council Resolution.
- Bruer suggested getting on the CDBG Committee Agenda for Allied Drive Phase II update.

7 THE VILLAGE ON PARK UPDATE

Erdman provided The Village on Park update:

- Work on logo underway with a completion date of April 2011; tie in with openings.
- Firming up negotiations: South building demolition and north building façade.
- Discussion with bank on a possible relocation from across the street.
- Banks might be interested in buying credits: J.P. Morgan, and U.S. Bank come to mind.

7a Retail Marketing

Erdman provided retail marketing update:

- Finalizing the negotiation of lease with Ancora.
- Looking at a couple of other leases.
- Working with other firms; one is computer related.
- Putting numbers together for Yue Wah.
- Strong geographical tract over last year.

7b [20480](#)

CDA Resolution No. 2993, authorizing the Executive Director of the CDA to hire legal counsel for legal advice as it pertains to possible New Markets Tax Credit Financing for The Village on Park.

A motion was made by Thompson-Frater, seconded by O'Driscoll, to Approve. The motion passed by voice vote.

8 FUTURE AGENDA ITEMS: No action

9 Discussion regarding Capital Revolving Loan Fund Application for Tilt Media, Inc., located at 3209 Latham Drive.

Gromacki provided an overview of the loan request. The borrower is requesting a Capital Revolving Fund loan in the amount of \$66,000 to make

interior improvements to the building to convert its use into a full-service recording studio. Tilt Media, Inc. is a for-profit subchapter(s) corporation, operating a media service company including direct production of video, audio commercials, instructional videos, presentations and other media for corporate clients throughout Dane County and the midwest. The loan is proposed to be structured as a 7-year note, 4% interest rate, fixed at closing, second mortgage on property at 3209 Latham Drive, personal guaranty of Richard Rubasch.

Mr. Richard Rubasch of 3209 Latham Drive registered in support of adoption and available to answer questions. He stated that this is the largest video production in Dane County. The loan will put them in a more accessible location. He has been in business for 10 years and has large national clients. The business is well diversified and has buy-in from National PBS. Applicant noted that he didn't recall ever having difficulty on loans.

CLOSED SESSION NOTICE

Pursuant to Section 19.85(1)(e) Wisconsin Statutes, a motion was made by O'Driscoll, seconded by Thompson-Frater, to Convene into Closed Session. The motion passed by the following vote:

Excused: 4 -

Shimanski; Kerr; Fike and Levitan

Ayes: 3 -

Bruer; O'Driscoll and Thompson-Frater

9a

[20507](#)

Discussion regarding Capital Revolving Loan Fund Application for Tilt Media, Inc., located at 3209 Latham Drive.

A motion was made by Thompson-Frater, seconded by O'Driscoll, to Reconvene. The motion passed by the following vote:

Excused: 4 -

Kerr; Fike; Shimanski and Levitan

Ayes: 3 -

Bruer; O'Driscoll and Thompson-Frater

10

ADJOURNMENT

A motion was made by O'Driscoll, seconded by Thompson-Frater, to Adjourn. The motion passed by voice vote. The meeting adjourned at 1:40 p.m.