

Amendments
initialled by
Brenda @ meeting
out of

~~Konkel Amendment #1 (failed)~~

Title

~~(1) ALTERNATE SECOND SUBSTITUTE - Authorizing the City to **Negotiate with solicit a proposal from** the CDA to act as Master Developer of the City properties located at 2317, 2345, and 2409 Allied Drive and 4705 and 4713 Jenewein Drive (Version 3)~~

Body

WHEREAS, the City of Madison through action of the Common Council adopted an affordable housing plan for the Allied area; and

WHEREAS, the four-day community design workshop process outlined several visions for redevelopment of the City-owned properties; and

~~(2) WHEREAS, the CDA has access to financing that will help spur the redevelopment of the City-owned properties; and~~

~~(3) WHEREAS, there are limited financial options to ensure that affordability of rental and ownership property is maintained because of the lack of additional TIF dollars and limitations regarding the availability of project based Section 8 Vouchers; and~~

WHEREAS, the CDA is the best organization to obtain, over time, repayment for the original City investments in the Hawk Property while at the same time providing affordable and high quality housing opportunities for a diversity of households in the Allied area; and the City desires

~~(4) repayment for the original City investments in the City-owned property while at the same time providing affordable and high-quality housing for a diversity of households in the Allied area; and~~

WHEREAS, the CDA would be able to commit development proceeds back into additional redevelopment opportunities within the neighborhood; ~~(4) and the City desires that any proceeds~~

~~(5) generated by a redevelopment effort be re-invested in the neighborhood affordable housing; and~~

~~(6) WHEREAS, that while there has been interest expressed by local non-profit housing developers and providers to get involved, there are no local non-profit providers who are able to assume responsibility for the entire project. Thus, the ability to manage the redevelopment in phases is essential; because it allows developers, non-profits, and agencies to be involved at all levels commensurate with their resources; and~~

WHEREAS, the CDA will retain ownership of all the land under the rental units so as to keep units ~~(7) affordable in perpetuity and, guard against blight, and provide a modest source of long-term income to contribute to local community services in the neighborhood; and~~

WHEREAS, applications for WHEDA Section 42 Low-Income Housing Tax Credits are due in ~~(8) February 2008 and the CDA is one of only a few organizations with the ability and wherewithal to assemble an application in time; and~~

~~(9) WHEREAS, the CDA would assume responsibility for some or all of the rental portion of the site and issue RFPs for the balance of the site;~~

~~(1) NOW THEREFORE BE IT RESOLVED that the City agrees to negotiate with solicit a proposal from~~ the CDA to act as the Master Developer of the City-owned properties at 2317, 2345, and 2409 Allied Drive and 4705 and 4713 Jenewein Drive; and

BE IT FURTHER RESOLVED that the CDA will include the following in their final proposal back to the City Council:

- A market analysis conducted by an independent entity.
- A plan for how the CDA will develop the capacity necessary to implement this redevelopment project;
- An overall 3-5 year plan for the neighborhood and how this redevelopment project fits into a broader, comprehensive strategy for the neighborhood, and that the CDA will include the following in its **proposed** master development plan for the City-owned property back to the City

(10) Council by _____ :

- A market analysis conducted by an independent entity.

(11) A staffing plan demonstrating the capacity to implement this redevelopment project and complete other projects of the CDA including, but not limited to Truax, Karabis, Romnes and Villager Mall.

(12) An overall 3-5 year plan for the neighborhood and hHow this redevelopment project fits into a broader, comprehensive strategy for the neighborhood, and

(13) A proposed budget, including all funding sources, cost per unit/square foot, all proposed soft including those incurred -to date and timelines for the project.

(1) BE IT FURTHER RESOLVED that the CDA will include in its proposal the intent to solicit

(14) neighborhood involvement by developing several options for redevelopment consistent with the plans created during the charrette in the fall of 2006, conducting an initial neighborhood meeting that presents those options to neighbors and solicits feedback, and conducting at least one additional meeting that presents a more detailed plan addressing the feedback; and

(15) BE IT FURTHER RESOLVED that a portion of the current City property will be redeveloped into a mix of 40-48 lower-income rental units to provide housing to the households in need of very affordable housing, with priority given to existing City property and Allied area residents; and

(16) BE IT FURTHER RESOLVED that priority for housing shall be given to existing City property and Allied area residents; and

(17) BE IT FURTHER RESOLVED that the WHEDA application will be submitted in February 2008; and

(1) BE IT FURTHER RESOLVED, that the proposal for rental units will be developed by the

(18) CDA using traditional real estate development models, the visions developed by the community design workshops and the resolution adopting an affordable housing plan for Allied

(7) Drive. The proposal shall estimate the amount of Fees earned by the CDA for this phase of the redevelopment and shall be minimized by making the units more affordable. The proposal shall include a plan for how any excess fees will be systematically redeployed into

(5) the neighborhood or affordable housing as part of the adopted City policies, plans, and objectives; and

(1) BE IT FURTHER RESOLVED, that the proposal for the remaining portion of the City-owned

(14) property will outline details to will be redeveloped into a mix of 50-70 units consistent with the Allied Drive Task Force recommendations for an RFP, a majority of which shall be owner-occupied units (available via direct purchase, rent-to-own, or other strategies that

(1) will encourage availability to low-income residents). The proposal shall include details for how the rRedevelopment of these sites will be initiated as a joint effort between the CDA and public, non-profit, or private developers through an RFP process; and

BE IT FURTHER RESOLVED, that it is anticipated that the total redevelopment of these sites will add another \$15-\$17 million of value to the neighborhood tax base, thereby improving the fiscal condition of the City related to the purchase of the former Hauk property; and

BE IT FURTHER RESOLVED that the Common Council hereby finds and determines that this transfer of the City properties to the CDA is consistent with the public purposes, plans and objectives set forth in the TID29 Project Plan, the community design workshop process, and the resolution adopting an affordable housing plan for Allied Drive; and

BE IT FURTHER RESOLVED that the Common Council hereby finds and determines that (1) soliciting a proposal from the negotiations between the City and CDA are is consistent with the public purposes, plans and objectives set forth in the TID 29 Project Plan, the Community Design Workshop process, and the resolution adopting an affordable housing plan for Allied Drive.

BE IT FURTHER RESOLVED that any transfer of property from the City to the CDA is contingent (19) upon further action by the Common Council obtaining WHEDA tax credit financing by October 31, 2008; and

(1) (BE IT FURTHER RESOLVED that staff is representatives of the City and CDA, appointed by the Mayor and Chair of the CDA respectively, are authorized to negotiate an agreement to provide for the transfer of the City properties to the CDA, for all associated terms and conditions, and that such negotiations be based on the terms in RES-07-00847 as approved by the Common Council; and

BE IT FURTHER RESOLVED that the Council hereby authorizes the CDA to prepare and release (20) Requests for Proposals and Requests for Qualifications for outside services, to include, but not be limited to, housing studies, architectural services, financial/development consulting services, appraisals, legal services, but in no event shall contracts be entered into until the final agreement between the City and the CDA has been approved by the Council and the contracts are presented to the Common Council for approval.

BE IT FURTHER RESOLVED, that if negotiations for the transfer of the properties are agreeable that the proposed agreement will be brought before the Common Council for further action; and

BE IT FURTHER RESOLVED, that if the proposal for the CDA to become the Master Developer negotiations for the transfer of the properties are agreeable, that the proposed (21) agreement will be brought before the Allied Area Task Force, the Community Development Block Grant Commission, the Housing Committee and then the Common Council for further action; and

Kerkel Amendment #2

BE IT FINALLY RESOLVED that, *the City Team consider* once the final plan has been approved by the City Council, the Mayor and City Clerk are authorized to sign any and all documents related to this transfer. once the CDA's master development plan for the City-owned property has been approved by the Common Council, the Mayor and City Clerk are authorized to sign any and all documents related to this transfer. the proposal from the CDA to become a master (1) developer will be consistent with the Allied Drive affordable housing plan and include the following:

- (22) - Screening criteria to be used for the rental properties
- (23) - A plan to manage vacancies
- (24) - An analysis of the reduction of 3-bedroom units and its affect on the neighborhood as well as the City of Madison as a whole
- (25) - A plan for permanent affordability for the owner-occupied portions of the project.

OK BLU

EXPLANATION OF CHANGES TO ALLIED DRIVE RESOLUTION:
Changes are in **Bold**

- 1 The concept of the CDA negotiating with the City is absurd given the dual roles of several people. Let's just call it what it is, a limited request for a proposal.
- 2 Eliminate because the sources of funding available to the CDA are no different than many non-profit and even some for-profit developers.
- 3 Eliminate because there are multiple financial options available that have not been explored. TIF and Section 8 vouchers are not the only mechanisms to make this housing affordable and to say so accepts a very limited view of our available options
- 4 Typo.
- 5 There shouldn't be proceeds Any "proceeds" should go to making the housing even more affordable in the current project. Additionally, I don't think we want to limit CDA's investments to this neighborhood because we may find that if there are proceeds, there are other emerging neighborhoods in need.
- 6 Eliminate because without an RFP we do not know this. There was no exploration of options with for profit developers until very late. Phasing of the project is not clearly necessary.
- 7 Instead of having income from the property, perhaps we should be using the money to make the housing more affordable longer
- 8 Eliminate because its not true
- 9 My hope would be that we have some CDA and some non-CDA rentals due to their screening criteria.
- 10 We need to fill in a reasonable timeline.
- 11 We need to make sure that this is realistic for City/CDA staff to do this and consider what will and will not get done.
- 12 A 3-5 year plan for the neighborhood is not the CDAs responsibility, it's a planning staff function
- 13 We should get a full picture of the funding package being proposed, what the CDA brings to the table, the expenses that have been spent to date and projected expenses and timelines.
- 14 This just honors the work done last fall by the neighborhood and keeps the CDA proposal consistent with the work already done
- 15 Leaves the CDA open to propose what they want but keeps the priority on residents of Allied Drive.
- 16 We need to maintain priority for the residents who live there.
- 17 This is more of a whereas clause or statement of fact of what will be in the CDAs proposal.
- 18 I don't think we want to be using "traditional real estate models". Instead, we're creating affordable housing and we should be creative in our efforts.
- 19 This could probably be removed all together but this statement is premature until we accept their proposal. We can deal with the recipient of tax credits at that point
- 20 RFQs are often short cuts designed to work with hand-chosen providers.
- 21 Since this was rushed through, the committees have all expressed concerns that they want a second look at this proposal.
- 22 There are concerns that the strict screening criteria that is used at Monona Shores will make it so that Allied Drive residents will not be able to live in the proposed rental housing. Currently Monona Shores rejects 90% of applicants and many don't even bother to apply.
- 23 Monona Shores is currently struggling with vacancies and we don't want to repeat the issues with vacancies at another property.
- 24 There are currently 80 three bedroom apartments on these properties, the current proposal is for 12, that is a large reduction in family sized housing.
- 25 We want to make sure that the investment we make carries on to the future.