



# City of Madison

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

## Meeting Minutes - Approved COMMUNITY DEVELOPMENT BLOCK GRANT COMMITTEE

---

Thursday, October 3, 2013

5:00 PM

215 Martin Luther King, Jr. Blvd.  
Room 260 (Madison Municipal Building)

---

### CALL TO ORDER/ROLL CALL

- Present:** 7 -  
Maurice S. Cheeks; Matthew J. Phair; Ben M. Van Pelt; Monya A. Choudhury; Daniel A. O'Callaghan; Justin O. Markofski and Russ Whitesel
- Absent:** 1 -  
Lauren Cnare
- Excused:** 2 -  
Colin A. Bowden and Liz Dannenbaum

**STAFF:** Mary Charnitz, Teresa Cothrine, Anne Kenny, Jim O'Keefe, Linette Rhodes

Markofski called the meeting to order at 5:08 p.m.

### APPROVAL OF MINUTES

Choudhury moved to approve the September 12, 2013 minutes, with the correction that she was absent from the meeting and did not second a motion made on page 3 under Item 3. Ald. Cheeks agreed that he was most likely the person to second that motion, and the minutes should be amended to reflect that change. Van Pelt seconded. The motion passed unanimously.

Ald. Cnare arrived at 5:10 p.m.

### PUBLIC COMMENT

There was no public comment.

### DISCLOSURES AND RECUSALS

There were no disclosures or recusals.

**BUSINESS ITEMS**

1. [31689](#) CDBG October 2013 Chair Report  
CDBG Committee reappointments

**Markofski said several members were up for reappointment, including Dannenbaum, O'Callaghan, Whitesel, and himself. O'Callaghan, Whitesel, and Markofski have all been reappointed. Dannenbaum did not seek another term, but she will be on the Committee for the next 90 days. She does intend to come to the next couple of meetings.**

**Committee member trainings will be held by the Mayor's Office for those who are interested. Dates and locations are listed on the memo from Mayor Soglin.**

**Brenda Konkel and Dan Guinn provided written comments, which were included in tonight's packet.**

3. [31724](#) Review of City Data Sources from Police, Madison Measures and others.

**Rhodes introduced Tim Radke and Caleb Klebig from the Police Department and Carl Van Lith from Human Resources. Rhodes described the data sources that staff looks at every day for such items as the Five Year Plan and other reports.**

**Radke described the Criminal Intelligence Section where he and Klebig work. He talked about some of the data they have, the way they look at it, and what type of data they access.**

**They've had crime analysts for about five years now. He talked about three specific types of data. Every call that comes into the call center creates a case incident. Calls are coded as well as can be by intake operators. Incident data is contingent on community involvement.**

**The second type of data they look at is offense case data, which is data that officers have investigated and recoded more accurately based on their investigation.**

**The third type of data they look at is IBR data.**

**They can dig into each of the data to determine more detailed information and compare to previous years. They look at time of day and day of week for when crimes are committed. They also try to look at suspect correlation to the area.**

**They also look at CPTED (Crime Prevention through Environmental Design). They'll look at specific crimes and what types of factors are contributing to the crimes.**

**Other data that they look at includes census data, neighborhood surveys, demographics, foreclosures, etc.**

**Van Lith handed out a document on Current Madison Measures and gave a**

history on neighborhood indicators. The City worked with the Applied Population Lab at UW—Madison to generate the initial list of indicators. He demonstrated how to use the City’s Neighborhood Indicators website and how to do comparisons between neighborhood associations or planning districts. Some of the indicators include community involvement, voter turnout, housing quality and availability, foreclosures, public safety information, intersection crashes, health and family well-being, kindergarten preparedness, transit service, etc. The information is useful for grant writers, among others.

Van Lith discussed Madison Measures and how the City measures its success. The City is trying to go with a outcome-based budgeting approach by looking at its own organizational efficiency and effectiveness.

**Discussion:**

- The indicators site doesn’t have a lot of hits, probably due to lack of advertising, but property look up is popular.
- Other communities do have benchmarking data sites.
- Radke said his team provides data primarily internally. They do not do routine neighborhood analyses but do provide scanning tools to others to determine if there’s a trend. They also direct people to a website call crimereports.com.
- Klebig said they rely on community to tell them what’s going on in a neighborhood.
- Charnitz said that years ago the CDBG Office worked with police to identify early indicators on a census tract basis and asked if the CDD could get a similar report on a regular (e.g., six-month) basis. Radke said he would ask about it.
- Whitesel said it would be helpful to see if there are areas of improvement resulting from the City’s responses to indicators.
- The Madison Police Department has three crime analysts and over 300,000 incidents so far for 2013, so they’re constantly prioritizing based on the types of incidents. They look for groupings or patterns in various areas where crimes are occurring.
- Ald. Phair said that kindergarten readiness and third grade math and reading scores are good neighborhood indicators. Low-income vulnerability leads to crime and other issues.
- Radke said that anecdotally they see trends with warmer weather around the summer time.
- Ald. Phair said that drilling down to smaller areas and pockets of concern is a problem with respect to available indicator areas because the areas are very broad.
- Anecdotal information where there is no police report leaves the police little to go on and no way to respond, unless it supports other data they have for a neighborhood.

Alder Phair excused from the meeting.

**Present:** 7 -

Maurice S. Cheeks; Lauren Cnare; Ben M. Van Pelt; Monya A. Choudhury; Daniel A. O’Callaghan; Justin O. Markofski and Russ Whitesel

**Excused:** 3 -

Matthew J. Phair; Colin A. Bowden and Liz Dannenbaum

Committee invites you to provide feedback on the draft CDBG office 2014 Action Plan. The Action Plan sets specific goals for the upcoming year.

Only one person was registered to speak but was not present in the room at the opening of the hearing, so the Committee moved on to the next item.

4. [31691](#)

Approving the Community Development Division's HUD required 2014 Action Plan.

Charnitz gave an overview of the 2014 Action Plan and the revisions in it up for review tonight. The heart of the Plan is the list of projects CDD is funding. Funding decisions for most projects were made a year ago, but for neighborhood centers and gardens those decisions were made this past summer.

Two written comments came in on the Plan, one from AIDS Network and the other from Brenda Konkel.

Changes to the Plan are being discussed tonight.

O'Callaghan moved to reopen the public hearing to allow the registered speaker who wasn't available earlier to speak now. Van Pelt seconded. The motion passed unanimously.

Brenda Konkel said her comments were also in writing. She said the public input part of the Plan was important. There's a fundamental lack of knowledge about what this Plan is, its function, how the City uses it, and how HUD uses it. She suggested putting an executive summary or question and answer piece to the Plan for the public to utilize rather than reading the whole report. She also suggested getting input on the Plan from other City committees, like the Plan Commission.

She said she is sad about the anti-poverty plan. She said there was no substance to the language in the plan.

She said the Impediments to Fair Housing study is awesome and should be mentioned more in the Action Plan. The equity impact statement should be mentioned in the Plan. She's excited about the SROs in the Plan.

She was surprised about the service point data and eviction. She said there might be more thoughtful ways to collect that information. She said there are 2,000-3,000 evictions in Dane County per year. Most of them are for non-payment of rent, and just because they didn't go to shelter didn't mean they didn't end up homeless.

AODA is a huge problem and so critical in the community, and it's not being identified and worked on. She said there are priorities that aren't being addressed by the Plan.

Discussion:

- Charnitz said that the CDD is embarking on its next Five-Year Plan for 2015-2019, and one thing the Division will address is the public participation issue and how we can get better feedback. The Division will be proposing a whole

process for public participation.

- Choudhury said that agencies put their passion into the proposals they submit. The Action Plan isn't as engaging to respond to because funding decisions have already been made.
- O'Callaghan said that absence of public comment on the Plan shouldn't be taken as a sign that the Committee is doing the right thing necessarily.
- The Plan is not circulated to other committees because the CDD has already made the funding decisions, and the timeline dictates whether the Division can send out for other comments.
- The CDD has to prepare a one-year action plan per HUD requirements.

O'Callaghan moved approval of the 2014 Action Plan with the substitution of the AIDS Network description that was provided by Dan Guinn. Choudhury seconded.

Charnitz suggested that CDD be directed to review the section on discharge policy and update it to address some of Brenda Konkel's concerns.

O'Callaghan and Choudhury accepted that condition as a friendly amendment. Ald. Cnare suggested including something about the Emerging Opportunities in Owl Creek. Ald.

Cnare suggested that under Section 4.1 on page 40, the Committee should include a bullet point discouraging development of affordable housing in isolated or service-empty areas.

O'Callaghan and Choudhury accepted those suggestions as friendly amendments.

Charnitz suggested adding the last couple of comments to the AI Study.

O'Callaghan restated the motion as follows: approval of the 2014 Action Plan as presented with the substitution of the AIDS Network description that Dan Guinn provided; with direction to staff to elaborate on the discharge policy under the homeless section; with direction to staff to elaborate on some of the efforts made in the Owl Creek neighborhood that are planned for 2014; with direction to staff to have the section discussing the 2013 Impediments to Fair Housing Study on pages 40 and 41 to reflect on Agenda Item 31315; and with the incorporation of the Emerging Opportunities funding as it affects Owl Creek and other challenged areas.

Choudhury seconded. The motion passed unanimously.

5. [31695](#)

Authorizing the use of Housing Development Reserves funds in an amount not to exceed \$100,000 to provide additional down payment assistance to qualified lower income homebuyers as part of the City's American Dream Down payment (ADDI) program.

Cothrine described the request for an additional \$100,000 for the ADDI program to be drawn from the Housing Development Reserves fund. She said that since the program's inception, CDD has used \$2.27 million and assisted 380 households. There is only \$37,000 left to get through the rest of the year.

Discussion:

- Whitesel asked if there were geographic patterns to where people use ADDI assistance. Cothrine said that most of the people are buying condos in Stonebridge, Troy Gardens, and McKenna. She said most homes are bought in the 53711, 53718, 53704, and 53719 zip code areas.
- ADDI isn't concentrated in one area in particular.
- Staff is seeing an increase in the number of apartment dwellers interested in ADDI funding assistance.
- Repayment of loans has helped to generate program income, which goes back into ADDI.
- In 2013, \$150,000 was allocated for the ADDI program.
- The average loan is about \$7,000. The maximum amount is \$10,000.
- The City is looking to consolidate some of its various loan programs, such as HomeBuy, ADDI, etc.

A motion was made by Whitesel, seconded by Choudhury, to Return to Lead with the Recommendation for Approval to the BOARD OF ESTIMATES. The motion passed by voice vote.

6. [31315](#)

Accepting the September 2013 'Analysis of Impediments to Fair Housing Choice' (AI) study.

Spears said that the study is a requirement by HUD to look at impediments and actions that the City can and should take to affirmatively further fair housing. The AI Study is intended to go along with the Five-Year Consolidated Plan. Reaction to the study has been very positive. The study was referred to EOC, CDA, and Housing Strategy Committee formally, all of which have accepted the study. It has also gone to other committees as an informational item. Tonight, the Committee is requested to accept the study, not approve a plan per se.

A shortened version of the recommendations to address the impediments is included in the 2014 Action Plan. CDD plans to work with key agencies to move forward with the recommendations. Some of the recommendations are on the "easier" side and include optimizing the website and hiring a new supervisor for the CDBG Unit.

There were some patterns or general themes to the comments made last month. There were a lot of questions regarding supply and demand. The consultant said the city likely needs 600 rental units a year and several thousand to catch up. They heard a lot about strategies for a five percent vacancy rate. They also heard about protecting the unofficial affordable housing that there is in the private market. These are units that are not necessarily up to code and therefore unsubsidized and at risk for demolition and displacement of tenants. There were a lot of questions about the demand for subsidized, larger units, like three-bedrooms.

It's important to make sure that the low number of complaints and lack of affordable housing does not gloss over impediments to fair housing for many people in our community.

Spears asked for written feedback by Monday to wrap up the package of feedback to the consultant.

Discussion:

- Whitesel said there was an under-emphasis on enforcement in the study.

**A motion was made by Whitesel, seconded by Cheeks, to RECOMMEND TO COUNCIL TO ADOPT - REPORT OF OFFICER. The motion passed by voice vote/other.**

7. [31696](#)

The Community Development program provides CDBG funds to the Madison Development Corporation to make loans to eligible businesses that meet City objectives and HUD eligibility rules. MDC has created a Loan and Investment Committee that includes MDC Board members and representatives of various community lenders to help analyze, screen and approve business loans. MDC has adopted operational policies to balance the goal of leveraging private funds with the goal of minimizing conflict of interest whereby community lenders rotate membership periodically and must excuse themselves from discussions of co-loans involving their institutions.

A member of the MDC Loan and Investment Committee, Dana Hoffman, works for Summit Credit Union. Both MDC and Summit Credit Union are considering a co-loan to a business applicant. While this situation may present a conflict of interest situation as defined by HUD, HUD also provides a method for review and waiver of their conflict of interest prohibition on decisions where the activity serves the public interest, the relationship is publicly noticed, the City Attorney finds that no laws are broken, and where HUD determines that the merit of the public interest outweighs the potential impact on the apparent conflict.

The CDBG Committee has adopted a procedure whereby CDBG staff is authorized to seek HUD determination of the conflict of interest exception, unless the Committee votes to not seek such a waiver.

**The Community Development program provides CDBG funds to the Madison Development Corporation to make loans to eligible businesses that meet City objectives and HUD eligibility rules. MDC has created a Loan and Investment Committee that includes MDC Board members and representatives of various community lenders to help analyze, screen and approve business loans. MDC has adopted operational policies to balance the goal of leveraging private funds with the goal of minimizing conflict of interest whereby community lenders rotate membership periodically and must excuse themselves from discussions of co-loans involving their institutions.**

**A member of the MDC Loan and Investment Committee, Dana Hoffman, works for Summit Credit Union. Both MDC and Summit Credit Union are considering a co-loan to a business applicant. While this situation may present a conflict of interest situation as defined by HUD, HUD also provides a method for review and waiver of their conflict of interest prohibition on decisions where the activity serves the public interest, the relationship is publicly noticed, the City Attorney finds that no laws are broken, and where HUD determines that the merit of the public interest outweighs the potential impact on the apparent conflict.**

**The CDBG Committee has adopted a procedure whereby CDBG staff is authorized to see HUD determination of the conflict of interest exception, unless the Committee votes to not seek such a waiver.**

**The Committee has read the paragraphs relating to the potential conflict of**

interest and presented no objection to passing it on to HUD for consideration.

9. [31744](#) Emerging Opportunities Program update

O’Keefe said that the Council adopted the EOP resolution, which authorized this new program designed to address emerging issues or innovative solutions that arise outside the CDD’s traditional funding cycles. The Council also had an interest in using these funds to support more grass-roots or newer organizations that would have a difficult time competing in tradition funding cycles. The resolution also created a Conference Committee, which was to make recommendations for funding to the Council by October 1. CDD put together an RFP for \$200,000 in EOP funds and received 75 applications seeking \$2.5 million total. Staff culled a few of the applications out and were left with 69 viable proposals. O’Keefe applauded the work that staff did in a short amount of time to read and score the applications. The scores were used as a starting point, and CDD took the top third—or 25—applications, which still represented \$850,000 in requests. Staff took into account the quality of the proposals, the urgency of the projects being addressed, the problems being addressed, project readiness, and geographic balance. Staff tried to strike a balance in the range of needs and populations being served. There were a lot of very good proposals for which staff didn’t recommend funding only because there wasn’t enough to go around. Staff made recommendations to the Conference Committee, which made some adjustments to staff recommendations and put together a funding package, which was in the packet for tonight. The BOE will take up resolution on Monday, and then it will go to the Council. A total of \$44,500 in extra City funds from various sources was allocated to a second group of recommendations and has gone to the Council in a separate resolution.

**Discussion:**

- Choudhury suggested that the Committee and staff look at the experience and compile a list of things they might do differently next year.
- A resolution has been introduced that will create an ordinance to make EOP an ongoing source of funding in CDD.
- Staff is meeting to glean lessons learned from this funding process.
- In the next budget, there is \$192,000 courtesy of the Mayor for EOP.
- Ald. Cheeks requested a heat map of areas for which funding was requested from all the proposals (not just the recommended proposals).
- O’Keefe said that a fair number of the proposals were citywide.

10. [31697](#) CDBG October 2013 Staff Report

Financials  
Theresa Terrace / Meadowood  
CC updates

**Financials**

There were no questions regarding the financials.

Theresa Terrace/Meadowood



Charnitz said that Isthmus Architecture has been selected to do the preliminary design at Theresa Terrace. Staff is meeting with them next week. They've already been out to the site taking a look at it. They're doing cost assessments for both rehab and rebuilding.

There was nothing new on Meadowood.

#### Common Council Updates

The Council approved funding for Movin' Out's Royster Crossing project and additional downpayment assistance for Movin' Out.

O'Keefe reviewed the Mayor's budget, starting with the capital budget. About \$1 million per year will be invested in neighborhood centers, whether it's renovation or new centers. In 2019, the figure rises to \$5 million.

The other capital budget item of interest is the SRO/efficiency project. The 2014 budget contains \$300,000 to do preliminary design work. The first phase would occur in 2015, the second phase in 2016, for a total of about 110 units. At least 80% of the \$18.5 million proposition would be funded through Section 42 low income tax credits. Without tax credits, the project would not go forward.

O'Callaghan left the meeting at 8:00 p.m.

**Present:** 7 -

Maurice S. Cheeks; Lauren Cnare; Matthew J. Phair; Ben M. Van Pelt; Monya A. Choudhury; Justin O. Markofski and Russ Whitesel

**Excused:** 3 -

Colin A. Bowden; Liz Dannenbaum and Daniel A. O'Callaghan

31697

CDBG October 2013 Staff Report

Financials  
Theresa Terrace / Meadowood  
CC updates

CDD is working very closely with CDA on the project. It will require the efforts of both agencies to pull this off. The project may involve one location or two.

O'Keefe reviewed other budget highlights of interest to the Committee. The 3% cut to purchase of service contracts is not going to happen. Funding for Theresa Terrace and Meadowood are included in the Mayor's budget. From the B-List, only the \$20,000 to Neighborhood House to support the staff position for evenings and weekends made it to the budget.

Other funding benchmarks include \$192,000 for EOP in 2014, \$125,000 for an employment initiative to replicate a Milwaukee-based model focused on apprenticeships in construction and trades, \$120,000 to support YWCA Transit for Jobs program, and \$30,000 originally set aside for a county resource center. The Mayor responded positively to a request from the Economic Development Division (EDD) to provide additional funding for housing support programs they administer. The Mayor drew \$225,000 from the Affordable Housing Trust Fund (AHTF) for EDD's programs. The ultimate goal of both EDD

and CDD is to have a single point-of-entry application for housing assistance.

The Mayor's budget also includes \$150,000 for the next stage of the efforts to study the CDD funding process. Most of the talk is around Community Services' process, but since CDBG's process is tied up with theirs, the study will most likely be broader. It will also likely involve an RFP process.

The estimated loss of Federal funds ranges from \$225,000 to \$1.25 million, reflected by both the Senate appropriations budget and the House budget. The reality will likely be somewhere in between the two numbers. The Mayor's budget assumes an \$800,000 reduction in Federal funding in HOME, CDBG, and ESG.

The Committee discussed how and why the AHTF got used for something outside its terms.

Ald. Cnare moved to authorize the chair work with staff to craft a letter to the Mayor indicating the damage that would be done if the AHTF was used for EDD's programs and the importance of maintaining the AHTF in the face of the housing crisis in the city. Choudhury seconded.

Rhodes said the AHTF would go to support EDD's existing housing programs and would generate interest.

Choudhury asked how come EDD wasn't submitting an application for AHTF, since their programs fit the AHTF parameters.

Rhodes said it was because the EDD isn't an outside agency—they're part of the City.

O'Keefe said any interest earned wouldn't return to the AHTF.

Choudhury said she had ethical questions regarding using the funds in this manner.

O'Keefe said that the Mayor and Council are perfectly within their rights to use the funds as they see fit and to move them around as is being proposed.

Ald. Cnare asked if the terms of the trust fund could be changed.

O'Keefe said staff and the Committee could put forward a proposal of different terms and conditions for the trust fund.

Choudhury asked if the Committee could put a discussion of how the trust fund can be used on a future agenda.

Markofski said yes.

O'Keefe said the Committee might want to invite developers, non-profit or other, to the discussion as well.

Ald. Cnare reaffirmed her support for her motion because it sends a message to the Mayor that long-standing items locked up in ordinance probably need more discussion before the money is moved. She said she would request that

Markofski add to the letter that the Committee will be undertaking a thorough discussion on the AHTF and its uses.

The motion passed the unanimously.

Markofski said the Committee needed to discuss the January meeting, which falls on January 2, 2014. He said he would like to reschedule the meeting to January 9, 2014. Also, the November meeting falls on the second Thursday, November 14, 2013, due to budget discussions the week before that.

11. [31698](#)

Report from committees with CDBG Committee representation

1. Gardens Committee (Markofski)

Markofski said the Gardens Committee was disappointed that the Conference Committee didn't fund the EOP proposal.

2. Martin Luther King, Jr. Humanitarian Award Committee

There was no update.

3. Community Development Authority

There was no update.

## ADJOURNMENT

Whitesel moved adjournment at 8:55 p.m.; Choudhury seconded. The motion passed unanimously.

Anne Kenny, recorder