



City of Madison

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

Meeting Minutes - Approved COMMUNITY DEVELOPMENT BLOCK GRANT COMMITTEE

Thursday, December 6, 2012

5:00 PM

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

CALL TO ORDER / ROLL CALL

STAFF: Charnitz, Kenny, O'Keefe, Spears, Wallinger

Markofski called the meeting to order at 5:05 p.m.

Present: 9 -

Tim Bruer; Lauren Cnare; Robert M. Hunter; Ben M. Van Pelt; Monya A. Choudhury; Liz Dannenbaum; Daniel A. O'Callaghan; Justin O. Markofski and Russ Whitesel

Excused: 1 -

Matthew J. Phair

Markofski introduced new member Ben Van Pelt. Van Pelt said he currently works in the Wisconsin Senate. He said he wanted to get more involved in local municipal politics, so he applied to be on the CDBG Committee among others. The Committee members introduced themselves.

Markofski thanked Robert Hunter, who is stepping down from the Committee, for his service and said he would be missed.

Markofski also officially welcomed Jim O'Keefe as the new Community Development Division Director.

PUBLIC COMMENT

There was no public comment.

DISCLOSURES AND RECUSALS

There were no disclosures or recusals.

APPROVAL OF MINUTES

Ald. Bruer moved to approve minutes from the November, 2012 meeting; Whitesel seconded.

Ald. Bruer asked the Chair to draft a letter of appreciation to Interim Director Hickory Hurie for his service to the Community Development Division and the CDBG Committee and copy the Mayor and Common Council.

DISCUSSION ITEMS

1. [28407](#)

Authorizing up to \$216,000 in Housing Development Reserve Funds to assist Housing Initiatives, Inc. to acquire and rehabilitate rental housing in 2013.

Loumos explained the proposal to purchase a foreclosed four-unit property. He said that HII serves homeless persons with a mental illness and connects them to community-based treatment according to their need.

Loumos said that HII would be getting a Continuum of Care bonus of \$116,000 for this type of project. If HII combines COC funds with Reserve funds it will allow them to acquire at least eight units and maybe even 12.

Loumos said that the last four properties HII acquired were all foreclosed. This has allowed them to go into struggling neighborhoods they would have shied away from in the past and to add a community stabilization component to their program. Loumos said that HII has a scattered site model, but he doesn't have control over where the foreclosed properties end up.

Ald. Bruer said that the City has approved a Fair Share in Housing Diversity Plan with an acquisition fund. He strongly encouraged Loumos to take advantage of tools and resources the City has to site HII's housing projects in areas where there are no clusters of poverty.

Loumos said that they most recently found a property in a Targeted Site area on Pinecrest.

Whitesel asked if HII is ever able to get involved with properties that are about to be foreclosed but haven't yet actually been foreclosed. Loumos said he's not certain how he would find properties like that.

Charnitz said that staff is recommending a waiver to the Program Goals and Priorities statement Reserve Fund applications must identify a site. The waiver is recommended since the proposal targets foreclosed properties which cannot be identified within the timeline of the Reserve Fund approval process.

Whitesel moved approval of the project with a waiver of the Community Development Program Goals and Priorities' requirement that Housing Reserve Fund proposals must identify a specific site address. Choudhury seconded.

Spears said that buying foreclosed properties addresses the Mayor's goal and the goal of getting those properties up and running again while also serving the populations HII is trying to serve.

2. [28423](#)

Neighborhood Center Study Update

Charnitz reviewed a memo from Hickory Hurie with an update on the Neighborhood Center Study. She said the initial meeting that Hurie and Lorri Wendorf-Corrigan had with center directors resulted in some comments and feedback. After reviewing the input, staff did make some revisions to the recommendations based on those comments and tried to integrate some of the center directors' ideas. She said Hurie and Wendorf-Corrigan are meeting again with center directors tomorrow to review the changes to the study. The goal then is to introduce the report to the Common Council at their January 8, 2013 meeting, and then it will be referred to the CDBG Committee for discussion and action. Hurie is recommending a joint meeting of the CDBG Committee and the Community Services Committee on January 17, 2013, which would include a public hearing to obtain comments from the community. She said the Committee could then either discuss the document that night or wait until their regular February meeting. She said the Mayor's Office would like the Committee to feel comfortable with the report, so there's no rush in approving it in January.

Choudhury suggested moving the regular January meeting of the Committee from January 3 to January 17.

Charnitz said one option would be for the Committee to meet in regular session from 5:00 p.m. to 6:00 or 6:30 on January 17 and then schedule the public hearing with the Community Services Committee after the regular meeting.

Ald. Cnare suggested holding the meeting in the City County Building in the Common Council chamber and having the meeting recorded by City Cable.

Charnitz said the applications for the Affordable Housing Trust Fund are due on December 7 and should be submitted to the CDBG Common on their January meeting. Staff would know more about how long the January business might take once all of the applications are received.

3. [28425](#)

Report 2012 CDBG Rental Projects

Markofski pointed the Committee to the paper report regarding the number of CDD-assisted affordable rental units completed in 2012 that was handed out to the Committee. He introduced Spears and Wallinger who were present to give the Committee a verbal report and powerpoint about the rental project accomplishments of 2012.

Spears reported on the accomplishments of 2012 that were approved throughout the years by the CDBG Committee.

Choudhury asked if the projects reported on tonight were granted money in 2012 or were just completed in 2012.

Spears clarified that the projects were completed in 2012. Funding may have been granted in prior years.

Spears said there was a mix of new construction projects, acquisition and

rehab of new units, and some acquisition or rehab of existing units. Spears and Wallinger reviewed the various projects on the list, which included Porchlight's Safe Haven; Common Wealth Development's Jenifer Place; Housing Initiatives' Pinecrest Drive; The Road Home's Housing and Hope II; Goodwill's Sandra Hall, Stein Apartments, Sunfish Court Apartments, and Elaine Meyer Apartments; Movin' Out's Troy Drive; and Quaker Housing's Fisher-Taft Apartments.

Spears concluded by saying that a total of 137 assisted units of affordable rental housing were added to the CDD's portfolio in 2012 and that the CDD invested \$1.78 million of funds in these projects.

4. [28426](#)

CDBG December 2012 Staff Report

Financial

Charnitz said that the financial spreadsheet the Committee received tonight indicates funds going to assist the Housing Initiatives project approved tonight are shown as HOME funds, but they may be changed to CDBG funds in the future.

Committee Reappointment

Charnitz said that Markofski, Whitesel, and Choudhury were recommended to the Common Council reappointment to the Committee.

Whitesel asked about the ethics statement. Charnitz said that all Committee members must fill out and submit their ethics statements every year, and they are due in January.

Green Madison

Charnitz introduced Matt Wachter, who is the lead staff person for Green Madison who will provide an update on unit activity.

Wachter handed out a memo and said that the formula grant portion of the program is complete. They are in the final data collection and reporting phase.

Their emphasis now is on utilizing funds from the competitive grant. They have added incentives to the fund to reach their target of completing 400 residential and 60-70 commercial projects. Wachter said they had completed 186 residential projects with 454 projects still in process. The residential goal for 2013 is to help those people who have entered the program through completion.

Wachter said they launched the commercial program this summer. 41 projects are approved. They are looking to provide different incentives and do more direct targeting.

They are working with the Department of Energy (DOE) and Wisconsin Energy Conservation Corporation (WECC) to devise a strategy for what happens post-grant. The grant ends next summer, so they need clarification on remaining funds maybe used.

Choudhury asked if they can forecast the future potential for additional Federal funding.

Wachter said that DOE has said it is unlikely that there will be continuing funds.

Choudhury asked client retention and turnover of the energy advocate position at WECC are related.

Wachter said that client retention is largely related to other issues, but staff turnover at WECC has been a problem.

Ald. Cnare asked if they were still promoting the program and whether alders could still help.

Wachter answered yes. He said that even though Green Madison has 454 residential projects in process, there are some of those who will not complete the program, so they could still use help with promoting it.

Whitesel said there are some real front end problems with getting into the program and that they're losing people at that front end, so Green Madison should analyze their process.

O'Keefe asked if the energy audits can be done at any time of year, and Wachter said yes, that there just has to be a few degrees difference between the indoor and outdoor temperatures so that the thermal cameras work properly.

Markofski asked about the receipt of loan repayment.

Wachter said that on the residential side, funds are already starting to be paid back. On the commercial side, they will start revolving this spring. Wachter said the DOE just issued a memorandum on allowable uses for program income.

Legistar File #28415 – Regarding Single Room Occupancy (SRO)

Charnitz said that a resolution was introduced directing staff to prepare a plan for the creation of more SRO housing, CDD staff has been identified as the lead on that study, which is due back to the Council on February 1, 2013.

Theresa Terrace

Charnitz said the resolution for an option to purchase a property on Theresa Terrace for use as a neighborhood center was approved by council. She said that Ald. Phair is expected to introduce another resolution that will authorize funds from the set aside center capital fund in the capital budget to purchase and rehab the duplex on Theresa Terrace. Once that's introduced, it is anticipated that it will be referred to this Committee for discussion and recommendation back to the Council.

Hunter asked if there was any discussion about funds for operating the center.

Charnitz said that Ald. Phair is exploring those options.

Choudhury asked O'Keefe how his first few weeks with the CD Division were going.

O'Keefe said he is still in the process of gathering information. He is currently meeting with members of staff to learn their duties.

5. [28427](#) Report from committees with CDBG Committee representation

Gardens Committee

Markofski said his nomination for the Gardens Committee still hasn't been approved, so he hasn't attended any meetings.

Community Development Authority

Ald. Bruer said that Burr Oaks hosted their second annual diversity holiday tree lighting ceremony. The Neighborhood Association is hosting their meetings at Burr Oaks now because there are so many residents interested in the neighborhood. He said Burr Oaks would like CDBG Committee to meet there to see the value of their investment in the project.

He said two years ago the area near Burr Oaks had about a 65% vacancy rate, and now it has about 5% vacancy rate. The area is becoming the place for affordable workforce housing with Madison College students and employees of the medical industry moving in.

Martin Luther King (MLK) Humanitarian Award Committee

Markofski said that Mike Miller from CD staff is representing the CDBG Committee on the MLK Humanitarian Award Committee, but in the future, a CDBG Committee member will be nominated to the MLK Committee once again.

ADJOURNMENT

Whitesel moved adjournment at 6:35 p.m., and Choudhury seconded.

Anne Kenny, recorder