



City of Madison

City of Madison
Madison, WI 53703
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Meeting Minutes - Draft COMMUNITY DEVELOPMENT AUTHORITY

Monday, July 9, 2012

11:00 AM

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

~ JOINT COMMUNITY DEVELOPMENT & CAPITAL REVOLVING FUND SUBCOMMITTEES MEETING ~

SCHEDULED MEETINGS

CDA Special Meeting: Thurs., July 26, 4:30 p.m., 313 MMB
Community Development Subcommittee: Mon., Aug. 6, Noon, 313 MMB
Allied Development Subcommittee: Tues., Aug. 7, Noon, LL-130 MMB
Housing Operations Subcommittee: Wed., Aug. 8, 4:30 p.m., Brittingham Apts.
CDA Regular Meeting: Thurs., Aug. 9, 4:30 p.m., 260 MMB

CALL TO ORDER / ROLL CALL

Present: 3 -
Tim Bruer; Daniel G. Guerra, Jr. and Kelly A. Thompson-Frater

Excused: 3 -
Sue Ellingson; Sariah J. Daine and Stuart Levitan

1 CDA LEADERSHIP DISCUSSION (11:00 a.m. - Noon)

Thompson-Frater chaired this portion of the meeting. She asked Erdman to review the list of priorities for second half of 2012 (list attached). Additional items identified include Vilas housing initiative, University Crossing, TIF 35 housing initiative, and public housing administrative approval/site manager and budget training. Brown noted three additional potential items, namely Monona Shores which will be facing an initial tax credit expiration within three years, Choice Neighborhood Initiative and Lake Point TIF extension.

Thompson-Frater stated that she had a number of questions relating to CDA operations and procedures in her role as new chair of the CDA. Highlights of her questions and discussion follow:

- Using Union Corners and Truman Olson as examples, there was considerable discussion on how the CDA go about acquiring or disposing of property or exchanging land, and in some cases acting as the agent of the City of Madison, informing the public of these transactions and working with adjacent property owners and businesses as may become necessary.

- There was discussion on the question of how often should the CDA go before public bodies such as Common Council, UDC and Plan Commission. Historically the appearances have been tied to a particular item on the agenda.

- In the discussion of bond requirements, the consensus was that any requirements, City policies or special conditions the CDA may have should be incorporated in the

early phase of bond process via the City Attorney.

- Discussed ways to improve outreach to women and minorities and expand their participation level in CDA-sponsored projects complying with Department of Civil Rights requirements.

- Discussion of the CDA Board's oversight with respect to policy matters and financial accountability.

- This leadership team agreed to meet quarterly.

A motion was made by Guerra, Jr., seconded by Bruer, to Take A Recess. The motion passed by voice vote/other.

Bruer chaired the remainder of the meeting.

A motion was made by Guerra, Jr., seconded by Thompson-Frater, to Reconvene at 12:10 p.m.. The motion passed by voice vote/other.

2 APPROVAL OF MINUTES: June 4, 2012

A motion was made by Guerra, Jr., seconded by Thompson-Frater, to Approve the Minutes. The motion passed by voice vote.

3 PUBLIC COMMENT

None

4 DISCLOSURES AND RECUSALS

None

5 25013 CDA EXECUTIVE DIRECTOR'S REPORT

Erdman reviewed the Executive Director's report covering Items 8 and 8a below. Among the highlights are:

- Gilbert Cost Control Consultants was hired as owner's representative for The Village on Park. Strang is finalizing plans, which will go out to bid in July.

- Access Community Health land sale is on schedule to close by November 1. Bruer noted that they have received CDBG dollars.

- Kegonsa Builders is working on construction pricing for homes in Mosaic Ridge. Staff is recruiting lenders to participate.

A motion was made by Guerra, seconded by Thompson-Frater to Accept. The motion passed by voice vote.

6 25491 CAPITAL REVOLVING FUND UPDATE

6a 26998 Capital Revolving Fund loan application from Urban Land Interests, Inc. for apartment building located at 727 Lorillard Court

Gromacki reviewed the proposal for \$500,000 in Madison Capital Revolving Funds (MCRF) to construct a 116-unit market rate apartment building at 727 Lorillard Court.

Borrower proposes to repay an existing \$500,000 MCRF loan to Tobacco Warehouses and requests that the \$500,000 principal repaid to the City be recycled to fund a new MCRF to the new project. MCRF policy establishes that the maximum loan not exceed \$250,000. Making a loan in the requested amount would require a policy exception. The Subcommittee is being asked to consider whether they would support making a policy exception. Guerra stated that he could not support a policy exception because the project did not meet the policy and objectives of the Program to help small businesses to create jobs. Bruer noted that the area is different than it was when we first made the exception. We have met objectives in this area which no longer need jump starting. Therefore, instead of investing more money in this area, we should be investing monies in other areas where the need is greatest. Gromacki noted that the developer could go to the private market. Bruer stated that he was convinced the project will go forward without the CDA/City participation. Thompson-Frater noted that we did not have enough information at this time to recommend a smaller loan that would be within the policy limit.

A motion was made by Guerra, Jr., seconded by Thompson-Frater, to not provide an exception to the MCRF policy for the project. The motion passed by voice vote.

7 19141 **TRUMAN OLSON UPDATE**

Marx provided a brief Truman Olson update:

- Has new appraisal.
- Will start negotiations in July.
- Demolition estimated at \$145,000 and anticipated to begin in October.
- Don't know value nor size of outlots.

8 20808 **THE VILLAGE ON PARK UPDATE**

8a Retail Marketing Update

8b 26923 CDA Resolution No. 3095, authorizing a Third Amendment to Sublease between the City of Madison and Head Start pertaining to the extension of the term of Head Start's sublease within the South Madison Health and Family Center at The Village on Park.

A motion was made by Guerra, seconded by Thompson-Frater, to recommend approval. The motion passed by voice vote.

8c 26947 CDA Resolution No. 3096, authorizing the amendment of a space use agreement with Madison College for office space within The Atrium at The Village on Park.

A motion was made by Guerra, seconded by Thompson-Frater, to recommend approval. The motion passed by voice vote.

9 **LAKE POINT TIF EXTENSION UPDATE**

Marx provided a brief update:

- The four plex appraisal is in at \$190,000. Has made offer and letter of intent is being drafted.

- The role of the CDA will be determined once City has acquired the property.

- Marx indicated that his staff could provide assistance in creating the redevelopment district, which would take about 90 days to complete. Will begin by doing a map, then a blight study and possibly a redevelopment plan. If a redevelopment plan is needed, it would be brought before the CDA.

10 TIF #35 (TODD DRIVE-WEST BELTLINE) DISCUSSION

Bruer provided a brief update:

- The program will be a housing improvement program which may be modeled after the Small Cap TIF program administered in the Office of Economic Revitalization.

- Bruer has discussed it with the Mayor, who is on board with the idea.

- \$500,000 available in TIF plan.

- Involves three properties totaling 66 units.

- The Mayor would have to add to the 2013 Capital Budget.

- Erdman suggested working directly with the three property owners to see how the funds could be packaged.

- Bruer noted that he had attended a ground breaking ceremony a couple of weeks ago for the construction of a church and cultural and arts center by the Fountain of Life Christian Center on Badger Road. During the remarks, there was mention of the Burr Oaks Senior Apartments in a positive context. The plan involved the purchase of the adjoining car wash property. The project will be a big plus for the south side community.

11 Discussion regarding the planning of a joint meeting between the CDA and the Economic Development Division on economic development initiatives

Bruer introduced the idea of the joint meeting and suggested inviting Aaron Olver, the Director of the Economic Development Division (EDD) to come to the next Subcommittee meeting to provide an overview of the EDD and look at ways the CDA could act as a catalyst for fostering economic development activities.

Thompson-Frater suggested that Olvera be invited to a meeting of the full CDA Board. This could eventually lead to a joint meeting between the CDA and the Economic Development Commission. Guerra stated that he wanted to see a presentation on neighborhood indicators. Staff will arrange to get information to CDA members. The July 30 CDA Subcommittee meeting was cancelled and rescheduled for August 6 at 12:00 p.m.

12 ADJOURNMENT