



City of Madison

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

Thursday, May 12, 2011

4:30 PM

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

CALL TO ORDER / ROLL CALL

Present: 5 -

Ald. Susan A. Ellingson; Gregg T. Shimanski; Alice J. Fike; Stuart Levitan
and Kelly A. Thompson-Frater

Excused: 1 -

Tim Bruer

SCHEDULED MEETINGS

Allied Development Subcommittee: Thurs., May 19, 2011, 4:30 pm, Revival Ridge
Apts. Community Rm., 2313 Allied Dr.

CDA Special Meeting: Thurs., May 26, 4:30 pm, 313 MMB

Community Development Subcommittee: Tues., June 14, 4:30 pm, 313 MMB

Housing Operations Subcommittee: Wed., June 15, 4:30 pm, 120 MMB

CDA Regular Meeting: Thurs., June 16, 4:30 pm, 260 MMB

1 APPROVAL OF MINUTES: April 14, 2011

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

2 PUBLIC COMMENT: None

3 DISCLOSURES AND RECUSALS

4 [22059](#) COMMUNICATIONS

5 [17719](#) HOUSING OPERATIONS MONTHLY REPORT

Olvera reviewed the Housing Operations Monthly Report:

- Truax renovation is progressing with two renovated buildings now occupied. Two additional buildings have been vacated and turned over to contractor.
- Will receive from HUD/Section 8 approximately 79% of what we had anticipated. Should be in good shape, awaiting word on funding for rent subsidies.
- Announced CDA had received from HUD a high performance rating - a high performer based on the annual assessment of the Section 8 Program. The CDA scored 140 out of 135 points. CDA members commended staff and agreed to prepare a press release, working in conjunction with the Mayor's Office.

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

5a [22376](#)

CDA Resolution No. 3022 - Authorizing the signing of a contract for 3-04 Bjarne Romnes Apartments / Elevator Jack Replacements

A motion was made by Levitan, seconded by Fike, to Approve. The motion passed by the following vote:

Excused: 1 -

Bruer

Ayes: 4 -

Ald. Ellingson; Shimanski; Fike and Levitan

Noes: 1 -

Thompson-Frater

6 [21255](#)

ECONOMIC DEVELOPMENT STATUS REPORT

Brown reviewed the Economic Development Status Report:

- 37 Lake Point condominiums sold, leaving 13 (7 conversion units and 6 town homes) unsold, one contract for sale.
- Reservoir, Duplex and Revival Ridge are 100% occupied.
- Monona Shores occupancy at 88.5%.

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

7 DETAILED BUSINESS

7a [21481](#)

To approve the Madison Sustainability Plan.

Jeanne Hoffman, Facilities and Sustainability Manager, provided an overview of the plan. The new Sustainability Plan acts as an adjunct to the City's Comprehensive Plan and will cover three broad areas: Environmental, Economic Property and Social/Community Initiatives. The Plan is meant to

provide guidance for current and future decision makers, City employees, Committee members, residents, businesses, and other entities. Levitan noted that in reference to Goal 4: Decentralize Social Services/Actions, the CDA would have opposed including social services agencies in any new affordable housing development. The CDA supports the idea of providing social services as deemed necessary, but believes those services should be appropriately located elsewhere in the neighborhood. Also, there needs to be clarification on the definition of affordability, i.e., low-income, very low-income, public housing, etc., vs. just working-class families. Shimanski noted that he was quite impressed with the plan and offered his commendation. CDA members felt that as the CDA goes through new development, it should involve Jeanne's office. Real role of the CDA is to lead by example. Shimanski raised the idea of using a development checklist. Hoffman will get copy to Shimanski. Hoffman noted that a new draft will be produced after comments are incorporated. Ellingson expressed reservations about recommending approval of the plan without giving it proper review and analysis within the context of the CDA's mission. Shimanski felt that the best approach would be to apply goals toward a specific project. The plan sets some standards by which the CDA can measure what we do. The ideas were raised that the CDA would assign this project to a work study student, or it could be incorporated in the CDA Strategic Action Plan.

This Resolution was Return to Lead with the Following Recommendation(s): Recommend approval of the plan with more emphasis on the CDA and, in particular, Levitan's changes to the actions relating to Goal 4: Decentralize Social Services/Actions on page 60 and the CDA taking advantage of Jeanne's Department.

8 BUSINESS BY THE COMMISSIONERS

9 [21520](#) ALLIED DEVELOPMENT SUBCOMMITTEE REPORT

Erdman and Thompson-Frater provided a brief report:

- Design "Charette" scheduled for May 16 at Revival Ridge.
- Met with MG&E.
- GreenPath working on homebuyer education.
- Have produced affordability chart.
- Presentation on name change received mixed reaction from Allied Area Task Force members.
- Covenant and Restrictions to be looked at next meeting.

10 [21247](#) COMMUNITY DEVELOPMENT SUBCOMMITTEE REPORT

No report

10a [19136](#) BURR OAKS SENIOR HOUSING UPDATE

- Construction proceeding on schedule.
- 25 applications received, of which 20 are for Section 8 Vouchers.

10b [22367](#) CDA Resolution No. 3023, authorizing the execution of Change Order Numbers 001 and 002 to the Contract by and between Burr Oaks Senior Housing LLC and Horizon Construction Group, Inc.

A motion was made by Thompson-Frater, seconded by Ald. Ellingson, to Approve. The motion passed by voice vote.

10c **TRUAX PARK UPDATE**

Erdman provided a brief update:

- First two buildings completed.
- Next two buildings to be completed in August.
- Final two buildings to be completed in Fall.
- Sorting through cost issues.

10d [22370](#) CDA Resolution No. 3025, authorizing the Execution of Change Order Number 003 to the Contract by and between Truax Park Apartments Redevelopment Phase 1, LLC and McGann Construction, Inc.

A motion was made by Thompson-Frater, seconded by Ald. Ellingson, to Approve. The motion passed by voice vote.

10e [19141](#) **TRUMAN OLSON UPDATE**

Erdman provided a brief update:

- Purchase and Sale Agreement signed.
- Legally Binding Agreements should be signed soon.
- Appraisal came in under budget.
- Levitan noted that forcing Porghlight to abandon the Truman Olson site violated main precepts in this document.

10f **BURR OAKS / ANN STREET PHASE 2 UPDATE**

No significant changes from last month.

10g [20808](#) **THE VILLAGE ON PARK UPDATE**

No significant changes from last month.

10h [21621](#) **LAKE POINT CONDOMINIUMS UPDATE**

No report

10i [22369](#) CDA Resolution No. 3024, approving the acquisition by the Community Development Authority (CDA) from the Receiver of condominium units at Lake Point Madison and authorizing the CDA to hire professionals to

maintain and market the property.

Erdman distributed copies of the revised resolution, highlighting in red the language "or an entity controlled by the CDA" added in the Preamble and sections a. and g. of the resolution. Levitan reviewed his proposed changes to the resolution.

A motion was made by Thompson-Frater, seconded by Levitan, to Approve with Amendment(s):

1. Add the language "or an entity controlled by the CDA" to the Preamble and in sections a. and g. of the resolution.

2. Add the date(s) the CDA loaned the money from the Fannie Mae Revolving Credit Facility.

3. In line 3 of the Preamble, delete "to date" and replace with "as of" and add real date.

4. Add who owns what.

5. Note date set for purchase.

The motion passed by voice vote.

11 [22365](#)

Reconsideration/discussion of Capital Revolving Loan Fund Application for Taylor's One Price Cleaners located at 4522 Verona Road.

The project's sources and uses of funds and business models have significantly changed, requiring a new CDA review and Common Council approval. Gromacki reviewed the changes in comparison to the original project approved by the CDA. Gromacki also provided an analysis of the new project, looking at (1) status of funding sources, (2) project cost reduced, (3) business model changes, (4) charitable distributions, (5) loan to value, WHEDA Guaranty, (6) loan to value calculations and (7) cash flow projections. Under the new terms, the City of Madison is not subordinate to a \$30,000 MG&E loan for machinery and equipment and the MCRF loan shall be contingent upon Borrower's receipt of a \$100,000 loan from the Wisconsin Department of Commerce or its assigns at the terms set forth in the MCRF application. The Community Development Subcommittee considered the revised proposal at its meeting of May 10 and recommended approval of the modified proposal.

A motion was made by Levitan, seconded by Thompson-Frater, to Recommend Approval of the modified proposal as recommended by the Community Development Subcommittee. The motion passed by voice vote.

12 [22371](#)

Consideration/discussion of Capital Revolving Loan Fund Application for New World Investments, LLC, requesting approximately \$51,000 of MCRF loan assistance.

Gromacki provided an overview of the proposal. The applicant is proposing to construct an outdoor seating area adjacent to the Hong Kong Café at 2 South Mills Street. Total project cost is estimated at \$87,635. In 2010, the Hong Kong Café was assisted with a \$20,000 Façade Improvement Grant

from the City of Madison. The Community Development Subcommittee considered the application at its meeting of May 10, 2011 and recommends approval of an MCRF loan in the amount of \$80,000, evidenced by a five-year note from Borrower, amortized over 10 years.

A motion was made by Levitan, seconded by Thompson-Frater, to Recommend Approval of the MCRF loan as recommended by the Community Development Subcommittee. The motion passed by voice vote.

13 ADJOURNMENT

A motion was made by Fike, seconded by Thompson-Frater, to Adjourn. The motion passed by voice vote. The meeting adjourned at 6:25 p.m.