



City of Madison

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

Thursday, May 26, 2016

4:30 PM

Madison Municipal Bldg., Room LL-130
215 Martin Luther King, Jr. Blvd.

[35867](#)

SCHEDULED MEETINGS:

Thursday, June 9, 2016, 4:30pm, 260 MMB

CALL TO ORDER / ROLL CALL

Present: 4 - Sheri Carter; Lauren K. Lofton; Sariah J. Daine and Dean Brassler

Excused: 3 - Sara Eskrich; Daniel G. Guerra, Jr. and Kelly A. Thompson-Frater

1 APPROVAL OF MINUTES: April 14, 2016

A motion was made by Lofton, seconded by Daine, to Approve the Minutes.
The motion passed by voice vote.

2 PUBLIC COMMENT

None

3 DISCLOSURES AND RECUSALS

None

4 [32700](#) COMMUNICATIONS

4A [42906](#) CDA Resolution No. 4186, Honoring Agustin Olvera for his dedication and service to the Community Development Authority.

A motion was made by Carter, seconded by Daine, to Approve. The motion passed by voice vote.

Tom Conrad has been named Interim Director of Housing Operations.

5 [42826](#) Capital Revolving Loan for "Cathay Pacific"

Joe Gromacki, Economic Development Division, appeared. Mr. Gromacki said that Cathay Pacific is doing business as the Hong Kong Café. They received an \$80,000 capital revolving loan in 2011. They would like to lengthen the term of the loan on the balloon portion. The business is doing well. They would like to refinance the balloon portion (\$36K). The balloon payment is due 12 December 1. The proposed terms of the loan would be two years at 6% or three years at 7%. We don't have a policy on this. They are debt free other

than this. They own the building. The cash balance is \$850,000 in our fund. We have sufficient funds now to take on applications in the interim. They are currently paying \$2553/quarterly (5%). Mr. Gromacki would recommend three years at 7% on \$36,000 while keeping the mortgage in place and a new note executed on December 21, 2016. It's a small business.

Lofton suggested the two-year extension at 6% to get the money back sooner. Carter agreed.

A CDA resolution will be needed to approve this recommendation. Then it will go to Council. Natalie will talk to City Attorney Kevin Ramakrishna about it.

CONSENT AGENDA:

Approve Items 6, 6C, 9, 10, 11, 12, 13, 13A, 14, 15 and refer Item 6A to the June 9th CDA meeting.

A motion was made by Carter, seconded by Lofton, to Adopt the Consent Agenda. The motion passed by voice vote.

- 6 [41675](#) **HOUSING OPERATIONS MONTHLY REPORT**
- 6A [42419](#) No Smoking Policy
Referred to June 9, 2016 CDA meeting.
- 6B [42830](#) CDA Resolution No. 4185, establishing the Payment Standards for the Section 8 Housing Choice Voucher Program.
Tom Conrad provided the update. Conrad said the key factor in deciding what families get is the payment standards. It's clear for a number of reasons that we should look at it again. Small reduction in the payment standard. Have to set the payment standards within a basic range (up to 110% above fair market rent). At just about 105%. At capacity right now. Spending more or all of the money HUD is sending us. Should be fine going into next year. Want to make program bigger and want to attach vouchers to Tree Lane. If we make this adjustment we'll free up \$17,000/month by next year. Have to wait until 2nd annual recertification for it to go into effect. Won't affect all families at once. This is in order to maintain the size of the program and future commitments for project basing.
A motion was made by Lofton, seconded by Daine, to Approve. The motion passed by voice vote.
- 6C [43099](#) CDA Resolution No. 4188, authorizing the submission of a Demo Disposition application to the HUD Special Applications Center to sell 5530 Marconi Avenue.
A motion was made by Carter, seconded by Lofton, to Approve. The motion passed by voice vote.

- 7 [42446](#) Permanent Supportive Housing Phase 3 - Process and Timeline
- Matt Wachter provided the update. Wachter said the plan is to create five phases of housing for the hardest to serve individuals, typically chronically homeless. Rethke opens on Tuesday. Phase 2 is the Tree Lane project which got tax credits and we're working through it.
- Phase 3 will be similar to Rethke. Identify a site, bring to CDA to option. Working to get a team on board to acquire tax credits and management service experience. A special Subcommittee of the CDA will be created to do interviews for applicants (RFQ). Timeline - Council 1st week of June, issue RFQ next day. CDBG & CDA and Council would be relevant committees. Work through the summer to get ready for land use approvals in the fall.
- The site must have access to transportation, groceries, and health care. Looking for sites of a certain size and zoning. Target size 50-60 units. Narrows us down to major transportation corridors.
- 8 [42709](#) Direct The Community Development Authority of the City of Madison ("CDA") to draft and issue a request for qualifications ("RFQ") for development, property management, and support services relating to the development and operation of permanent supportive housing for homeless adults.
- Matt Wachter provided the update. Wachter said we are asking the CDA to run this process. Looking to match Rethke with on-site social services.**
- A motion was made by Lofton, seconded by Carter, to Return to Lead with the Recommendation for Approval to the COMMUNITY DEVELOPMENT BLOCK GRANT COMMITTEE. The motion passed by voice vote.**
- 9 [41684](#) Triangle Action Plan
- 10 [42825](#) CDA Resolution No. 4184, authorizing the execution of a lease with Yan's Food, LLC, for the continued operation of a retail grocery store at 301 South Park Street.
- A motion was made by Carter, seconded by Lofton, to Approve. The motion passed by voice vote.**
- 11 [20808](#) THE VILLAGE ON PARK
- 12 [25012](#) MOSAIC RIDGE UPDATE
- 13 [35665](#) ALLIED DRIVE UPDATE
- 13A [42907](#) CDA Resolution No. 4187, authorizing the CDA Executive Director to sell the property located at 2409 Dunn's Marsh Terrace

A motion was made by Carter, seconded by Lofton, to Approve. The motion passed by voice vote.

14 [33361](#) TRUAX PARK REDEVELOPMENT UPDATE

15 [35133](#) CDA EXECUTIVE DIRECTOR'S REPORT

CLOSED SESSION NOTICE

When the Community Development Authority considers the following items (16, 17 and 18), it may go into closed session pursuant to Section 19.85(1)(e), Wisconsin Statutes, which reads as follows: Deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified business, whenever competitive or bargaining reasons require a closed session. If the CDA does convene in closed session as described above, upon completion of the closed session, notice is hereby given that it may reconvene in open session to consider the following items without waiting 12 hours, pursuant to Wisconsin Statutes, Section 19.85(2).

A motion was made by Daine, seconded by Lofton, to Convene into Closed Session. The motion passed by voice vote.

A motion was made by Daine, seconded by Lofton, to Reconvene. The motion passed by voice vote.

16 [42031](#) CDA Resolution No. 4175 - Declaring 7933 Tree Lane, Madison, Wisconsin, a blighted property as defined in Wisconsin Statutes 32.03(6)(a).

A motion was made by Lofton, seconded by Daine, to refer this item to a future date. The motion passed by voice vote.

This Discussion Item was Refer to a future meeting of the COMMUNITY DEVELOPMENT AUTHORITY. The motion passed by voice vote.

17 [42905](#) Direct The Community Development Authority of the City of Madison ("CDA") to purchase 7941 Tree Lane and issue a request for qualifications ("RFQ") for development and property management services relating to the development and operation of mixed income senior housing.

Direct the CDA to purchase 7941 Tree Lane and issue an RFQ for development and property management services relating to the development and operation of mixed-income senior housing.

A motion was made by Lofton, seconded by Carter, to Return to Lead with the Following Recommendation(s) to the BOARD OF ESTIMATES. The motion passed by voice vote.

18 **Monona Shores Refinancing**

A motion was made by Lofton, seconded by Carter, to [pursue an application for refinancing of Monona Shores with Cinnaire 10 with the language of the letter of intent to be approved by the Executive Director with concurrence by the Board Chair and the City Attorney for a 10-year term at 3.56% with a 30-year amortization. The motion passed by voice vote.

19 [36526](#) BUSINESS BY THE COMMISSIONERS

Lofton has been asked to teach at the Business School. She announced that she won't be able to serve on the CDA Board after August.

20 ADJOURNMENT

A motion was made by Lofton, seconded by Daine, to Adjourn the meeting at 5:56 p.m. The motion passed by voice vote.