



# City of Madison

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

## Meeting Minutes - Approved COMMUNITY DEVELOPMENT AUTHORITY

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Thursday, October 11, 2012

4:30 PM

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

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### SCHEDULED MEETINGS

CDA Special Meeting: Thurs., Oct. 25, 4:30 p.m., 313 MMB  
Community Development Subcommittee: Mon., Nov. 5, Noon, 313 MMB  
Allied Development Subcommittee: Mon., Nov. 5, 4:30 p.m., 313 MMB  
Housing Operations Subcommittee: Wed., Nov. 7, 4:30 p.m., 120 MMB  
CDA Regular Meeting: Thurs., Nov. 8, 4:30 p.m., 260 MMB

### CALL TO ORDER / ROLL CALL

**Present:** 7 -

Sue Ellingson; Tim Bruer; Daniel G. Guerra, Jr.; Lauren K. Lofton; Sariah J. Daine; Stuart Levitan and Kelly A. Thompson-Frater

### 1 APPROVAL OF MINUTES: September 13, 2012

A motion was made by Bruer, seconded by Guerra, Jr., to Approve the Minutes with the following amendments:

5a - Ellingson was spelled wrong.

5c - It should be Olvera instead of Olver.

Page 3 - "for" a mortgage instead of "or."

The motion passed by voice vote.

### 2 PUBLIC COMMENT

See Item 9b

### 3 DISCLOSURES AND RECUSALS

Erdman stated she has a conflict on Item 9a.

#9b is a client of Dan Guerra. He recused himself from the discussion and vote.

4      [25282](#)      **COMMUNICATIONS**

None

**Item Nos. 9, 10 and 8a were taken out of order.**

9      [20808](#)      **THE VILLAGE ON PARK UDPATE**

9a      [27689](#)      Update on Sale of Land to Access Community Health

Dr. Ken Loving, 1430 Chandler St., appeared in support and wished to speak. Dr. Loving stated that the mission of Access Community Health is to improve health and improve lives and reduce barriers to health care. They provide comprehensive health care. They not only strengthen the individual, but also the community. They were incorporated in 1982 as the Madison Community Health Center. In 1990 they began offering services on the south side. In 1995 they moved into the Villager Mall. In 2002 they expanded to become a federal health care provider. They are required to have a community board. Half of The Board members must be consumers. In 2003 they opened a small dental clinic. In 2004 they opened a large clinic the on east side and changed their name to Access Community Health. They provide medical, dental, behavioral and a low cost pharmacy. They saw 25,000 people last year. They are affiliated with the Wingra Clinic. They provide dental care in a number of schools. Their flagship remains the south side. They raised \$6.5 million towards this project. It will serve 10,000 more people for medical, 4,000 for dental. They want to stay at this site in The Village on Park. They are collaborating with community partners, and engaging in capital projects. The Erdman firm will go over the particulars of the new facility.

David Hoffman, Project Design Manager, 6218 Sandsnes Lane, appeared in support, and presented the Board with a slide show (plans attached).

Richard Slayton, Designer, 821 West Lakeside Street, also appeared in support and spoke to the Board about their plans (plans attached).

Ellingson stated that ULI wanted their door to face Park Street. Mr. Hoffman stated he serves on the UDC. Their big concern was getting in from the street. They are creating this piece that really is an identifying feature.

Guerra asked what City Real Estate thinks about the proposal. Marx stated they have no opinion. Thompson-Frater stated this is mostly UDC's concern.

Mr. Slayton addressed the Board about the schedule of the project. They are requesting an extension of the closing date in terms of design. Erdman stated she would like Don Marx to give an update on the closing process. We, as owners, need an extension to clear up title issues. Marx stated we are scheduled to close on November 1, but are asking for an extension until December 15. One of the contingencies is we have to give them clear title.

There are two easements there that provide electrical service right to the site, from Park Street across the lot, right next to the building where Head Start is. The easements involve MG&E, Charter and ATT. There is a title defect that we need to clear up. Working with City Engineering on this to relocate utilities along Park Street and Ridgewood Way on back part of property to serve balance of neighborhood. This won't be accomplished until December. The schedule is in the CDA packets. Construction will start March 1, 2013. Comfortable with timeline. Want to close by end of year.

Erdman stated she will introduce a Resolution modifying the Offer to Purchase.

9b [27913](#)

CDA Resolution No. 4006, authorizing the execution of a lease with Lanes Bakery for retail space at The Village on Park.

Erdman stated the plan is to relocate Lanes Bakery to The Village on Park. They will serve salads, soups, sandwiches and gourmet coffee besides the bakery. This will take up the rest of space at The Village on Park.

Charles Lane, W1882 Hwy. 92, Brooklyn, Wisconsin & Gail Selk, 30 West Mifflin Street, appeared before the Board in support of the project.

Ms. Selk stated that Lanes Bakery is a fourth generation business since 1947. It's a wonderful company. Very active. The community is very excited. Gourmet food will be served at affordable prices. Designed for the neighborhood. Very good for Park Street/south side citizens. Will compliment this corridor.

Mr. Lane stated he looks forward to this opportunity to stay in the area. The area means a lot to him. It's his home area. He wants to bring something back to the area that people miss. Thompson-Frater stated they have been looking for this type of business.

Erdman stated there was an amendment after the Letter of Intent was signed - it didn't include some back space that the bakery needs. \$430/month for additional storage space in back (850 sq. ft./\$6/sq. ft.).

Daine thanked Mr. Lane on behalf of the Romnes residents.

**A motion was made by Levitan, seconded by Ellingson, to Approve with Amendment(s). The motion passed by the following vote:**

**Ayes:** 6 -

Sue Ellingson; Tim Bruer; Lauren K. Lofton; Sariah J. Daine; Stuart Levitan and Kelly A. Thompson-Frater

**Abstentions:** 1 -

Daniel G. Guerra, Jr.

10 [27725](#)

DISCUSSION RE: STRATEGIC PLANNING

## **Discussion with Hickory Hurie, Interim Director of Community Development Division**

Hickory Hurie appeared before the Board. He distributed a report on what the Division accomplished in 2011. They increased community-based capacity and systems within the community, workforce development, access to resources for under represented groups, crisis intervention, early childhood development, senior services. There are four areas where the Division has worked successfully with CDA:

1. Community-based organizations and working to increase that capacity with the City, the CDA and other groups. Funds a large portion of the Rehab Program and Home-Buy program.
2. Fund agencies and programs that serve a lot of residents that the CDA helps: Neighborhood centers, daycare assistance, daycare centers and family daycare centers
3. Reviewing each others' plans. Deal with different sides of HUD. Need to work more in tandem than they do in Washington.
4. Helped write or give input to some of CDA's earlier proposals, resident opportunities, self-sufficiency programs.

### ***Future***

1. Our role as a CDD working for the City is distinct from CDA. Share a lot of common customers and beneficiaries. Work a lot with people who are 80% of median income and below.
2. Have some common areas of operation in terms of similar neighborhoods.
3. CDBG and CDD an early pioneer in challenged neighborhoods. Helped develop some strategic plans. Have worked with Planning Division and Percy on several areas in the Lakepoint area. Funded some community agencies like the garden center along with Building Inspection to try to focus and bring some revitalization.
4. The Village on Park - Longstanding wave of activity there.
5. Funded the Urban League and now Access to help them purchase land so they could complement development. Increase community capacity to deliver services long term. Provide contingent grants for long-term loans to an agency. They don't have to pay it back until they sell it or stop the service.
6. 5-10% of loans - work with Planning Division to work with a group of citizens to come up with concentration neighborhood plans. Use that as a spring board to fund projects that are CDBG eligible that come out of that planning process.
7. Common customers, common neighborhoods.
8. Both operate in the housing arena.
9. Worked to strengthen the referral of people to the CDA.
10. Helped create City's Housing Trust Fund.

We both do things that take some risks. Share with CDA a sense that we

should be doing things that other bodies can't do.

Guerra asked if there are scenarios that CDD can bring their tools with nonprofit community partners to expand their affordable housing capacity and private partners. Hurie responded yes. Develop incubator for small businesses for community development work.

Similar customers, similar geography, similar techniques.

Staff and Commissions would be happy to give the CDA advice.

Levitan said that Hickory has been a great public servant. Pleasure to work with him.

Thompson-Frater stated that CDBG funds helped fund part of Allied Drive work. Thanks for that.

- 8a      [27929](#)      Capital Revolving Loan Fund Application from Noor Investment, LLC for gas station at 1129 South Park Street.
- Joe Gromacki explained the proposal (see attached). The Community Development (CD) Subcommittee met and recommended support (see CD Minutes attached).
- Guerra asked how many jobs will this create. Gromacki stated four full-time positions.
- Ellingson asked if he has a tenant for the food part. Gromacki stated he will lease out the snack area.
- Lofton asked if they have to give financial statements. Gromacki stated it is not required, but they provided one. They are going to start construction soon.
- A motion was made by Guerra, Jr., seconded by Bruer, to Approve. The motion passed by voice vote.**

## 5      HOUSING OPERATIONS SUBCOMMITTEE REPORT

### 5a      [17719](#)      HOUSING OPERATIONS MONTHLY REPORT

Olvera stated the Housing Operations Committee met yesterday. Ellingson said they talked about the waiting list, budget, and changing the criteria for evicting people.

### 5b      [27614](#)      Draft 2013 PHA Annual Plan

Olvera stated the PHA Annual Plan is an outline of what we are going to do next year. They are starting an employment program. Received funding from HUD to start a service coordinator program which would help families get out of public housing. Trying to help them find employment or to take steps

toward gaining employment.

**A motion was made by Bruer, seconded by Guerra, Jr., to Approve. The motion passed by voice vote.**

5c [27906](#)

CDA Resolution No. 3099 - Authorizing the submission of the required 2013 PHA Annual Plan

**A motion was made by Bruer, seconded by Guerra, Jr., to Approve. The motion passed by voice vote.**

5d [27907](#)

CDA Resolution No. 4005 - Approving the 2013 Housing Operations Executive Budget as part of the Operation Budget Subsidy Request to the U.S. Department of Housing and Urban Development (HUD). Also authorizing the Executive Director and Board Chair to sign HUD routine certifications or other documents related to the 2013 Subsidy Request.

**A motion was made by Bruer, seconded by Guerra, Jr., to Approve. The motion passed by voice vote.**

6 [25284](#)

**ECONOMIC DEVELOPMENT STATUS REPORT**

Brown stated the Annual MRDCDC Board meeting is on November 7th - Financial review of state of property and elect officers.

**A motion was made by Guerra, Jr., seconded by Bruer, to Approve. The motion passed by voice vote.**

7 [25285](#)

**ALLIED DEVELOPMENT SUBCOMMITTEE REPORT**

No report - meeting scheduled for Monday, October 15.

8 [25286](#)

**COMMUNITY DEVELOPMENT SUBCOMMITTEE REPORT**

Bruer stated the City now owns Truman Olson.

Erdman stated the property will probably not be demolished this year. They had to get approval from Alder and Neighborhood Association. She doesn't think they got approval from the Neighborhood Association early enough.

Bruer asked when The Village on Park south section will be demolished. Erdman stated the contract with Tri North has been signed.

**A motion was made by Guerra, Jr., seconded by Daine, to Approve. The motion passed by voice vote.**

10 [27725](#)

DISCUSSION RE: STRATEGIC PLANNING

***FINANCIAL REVIEW by Percy Brown (see attached)***

Brown stated we tend not to toot our own horn regarding the impact on the community we have.

Thompson-Frater complimented Brown on the Façade Grants booklet.

Guerra asked what the ratio of funds that have to be lent out to maintain a balance. Are we purposely trying to spend down money? Brown responded that we can't let the Façade Grant Program get out ahead of the Capital Revolving Loan Fund. The façade program has become so popular and the Capital Revolving Fund (until last year) has slowed down. Funds will be really tight in 2014.

Erdman stated that we don't earn enough on the loans we make to support the grants. We are getting a team of staff together to look at programs and make some decisions.

Brown stated the City is charging significant staff time against the loan programs. The levy is supposed to cover permanent City staff. City stopped GO Borrowing many years ago. The rehab loan programs, for the most part, have been self-sustaining up to this point. We don't get new money coming in except for Federal and State money. We are okay for 2013, but may have to restrict, scale down or shut down programs in 2014.

Erdman stated that the Planning Department/Economic Development Committee is going to look at it.

Guerra stated that the \$500,000 is cash in the bank, not spending authority. Erdman agreed.

Thompson-Frater asked who would be on the committee. Erdman stated herself, Percy, Aaron, and others.

Thompson-Frater asked what the fees are for conduit bonds. Brown answered from the onset it was 1/3rd of 1% until last year when it was increased to 1/2 of 1%.

Tim Bruer left around 6:30 p.m.

***REVIEW OF CONTRACTS by Natalie Erdman (attached)***

Erdman stated she will email the contract to everyone. The City provides authority upon request. They keep our financial contracts for us. We agree that we'll keep a drug-free workplace. If we ask for services to carry out our mission and we don't feel we are getting those services, we can take it to the Mayor and Council for review. We have to reimburse them for the costs.

Guerra asked how is that tracked. Erdman stated time sheets and we are billed once a year. Inter-D charges are not that much. The City has a revolving capital line of credit for the CDA, providing us with some financial

flexibility.

Levitan suggested asking for quarterly reports.

**11 BUSINESS BY COMMISSIONERS**

11a [27628](#) CDA Resolution No. 4004, amending the By Laws of the Community Development Authority of the City of Madison.

Levitan said that in Section 2, when we added the Allied Development Subcommittee to Section 1, we did not add it to Section 2. Add it back in.

**A motion was made by Guerra, Jr., seconded by Ellingson, to Approve with Amendment(s). The motion passed by the following vote:**

**Absent:** 1 -

Tim Bruer

**Ayes:** 6 -

Daniel G. Guerra, Jr.; Lauren K. Lofton; Sariah J. Daine; Stuart Levitan; Sue Ellingson and Kelly A. Thompson-Frater

11b [27692](#) Revised 2012 CDA Meeting Schedule

11c [27930](#) Draft 2013 CDA Meeting Schedule

Brown asked members to review the meeting schedules and get back to him with changes and meeting conflicts.

**12 ADJOURNMENT**

**A motion was made by Guerra, Jr., seconded by Daine, to Adjourn. The motion passed by the following vote:**

**Absent:** 1 -

Tim Bruer

**Ayes:** 6 -

Sue Ellingson; Daniel G. Guerra, Jr.; Lauren K. Lofton; Sariah J. Daine; Stuart Levitan and Kelly A. Thompson-Frater

The meeting adjourned at 6:46 p.m.