



City of Madison

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

Meeting Minutes - Approved COMMUNITY DEVELOPMENT AUTHORITY

Thursday, February 11, 2010

4:30 PM

Madison Municipal Bldg., Rm. 260
215 Martin Luther King, Jr. Blvd.

CALL TO ORDER / ROLL CALL

Present: 7 -

Julia S. Kerr; Tim Bruer; Kevin M. O'Driscoll; Gregg T. Shimanski; Alice J. Fike; Stuart Levitan and Kelly A. Thompson-Frater

SCHEDULED MEETINGS:

Allied Development Subcommittee: Thurs., Feb. 18, 4:30 p.m., 313 MMB

Community Development Subcommittee: Tues., Feb. 23, Noon, 313 MMB

CDA Special Meeting: Thurs., Feb. 25, 4:30 p.m., 313 MMB

Community Development Subcommittee: Tues., March 9, Noon, 313 MMB

Housing Operations Subcommittee, Wed., March 10, 4:30 p.m., 120 MMB

CDA REGULAR MEETING: Thurs., March 11, 4:30 p.m., 260 MMB

CDA BOARD MEMBERS: If you are unable to attend any of these meetings, please contact Percy Brown at 266-6558 or pbrown@cityofmadison.com

1 APPROVAL OF MINUTES: January 14, 2010

A motion was made by Levitan, seconded by Thompson-Frater, to Approve the Minutes with the following change: Under 8c, No. 4, line one, delete the wording "did not feel" and replace it with the word "felt." The motion passed by voice vote.

2 PUBLIC COMMENT: None

3 COMMUNICATIONS: None

4 HOUSING OPERATIONS SUBCOMMITTEE REPORT

4a [17347](#) Housing Operations Monthly Report

Olvera presented the Housing Operations Monthly Report. The CDA finished with 4.4% annual vacancy rate. The CDA received additional funding from HUD for FY 2009 to address the Housing Assistance Payment funding shortage.

A motion was made by Fike, seconded by Levitan, to Accept. The motion passed by voice vote.

4b [17348](#) CDA Resolution No. 2934 - Authorizing submission of any and all documents, budgets, certifications or other required materials related to the Low Rent Public Housing Operating Subsidy and Asset Management Program for the year 2010

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

4c [17349](#) CDA Amended Resolution No. 2935 - Authorizing Assignment of Section 8 HAP Contracts from the YWCA of Madison to YWCA MADISON HOUSING, LLC due to Change of Ownership.

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

4d [17350](#) CDA Resolution No. 2936 - Authorizing the submission of the Section 8 Management Assessment Program (SEMAP) Certification, for the year ending December 31, 2009

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

4e [17351](#) CDA Resolution No. 2937, authorizing the release of a Request for Proposal (RFP) to prepare a HOPE VI or Choice Neighborhoods Initiative application related to the Truax Park Apartments (Project W13-8), the Wright Street Townhomes (Project W13-1A) and Webb-Rethke Apartments (Project W13-1B) Low Rent Public Housing redevelopment and providing that the CDA Chair and Secretary may enter into a contract with the selected consultant(s).

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

- 4f [17352](#) CDA Resolution No. 2938 - Authorizing the signing of a contract for 3-09 Frazier Avenue, Chester Drive, and Williamson Street Apartments window replacement. This line item has been budgeted for and is included in the 2009 American Recovery and Reinvestment Act Capital Fund

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

- 4g [17353](#) CDA Resolution No. 2939 - Authorizing the signing of a contract for 3-7 Harvey and Turbot Apartments - Exterior painting with gutter and downspout replacement. This line item has been budgeted for and is included in the 2009 American Recovery and Reinvestment Act Capital Fund

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

- 4h [17354](#) CDA Resolution No. 2940 - Authorizing the signing of a contract for 3-13 Russett Road, Whitney Way, and Capital Avenue Apartments roof repair and re-shingle. This line item has been budgeted for and is included in the 2009 American Recovery and Reinvestment Act Capital Fund

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

- 4i [17355](#) CDA Resolution No. 2941 - Authorizing the modification of Capital Fund budgets for years 2007, 2008, 2009 and also the Capital Fund Five Year spending plan

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

5 [17345](#) **ECONOMIC DEVELOPMENT STATUS REPORT**

Brown presented the Economic Development Status Report. Revival Ridge, the Reservoir and duplex are 100% occupied.

A motion was made by Kerr, seconded by Fike, to Accept. The motion passed by voice vote.

5a [17370](#) Lake Point Condominiums Update

Brown distributed and reviewed the Lake Point Estimated Budget Report vs. Actual for 2009 along with the Estimated Pro Forma and Operating Budget for 2010. Eight units were sold in 2009 vs. 10 units projected. We met our target on the number of duplexes and conversion units sold, but feel short on the town home sales by a difference of \$297,726. In the remaining line items of the Report, the budget vs. actual was very close. Ten units are projected

for sale in 2010 with a net revenue of \$942,000.

A motion was made by Kerr, seconded by Fike, to Accept. The motion passed by voice vote.

6 DETAILED BUSINESS

7 BUSINESS BY THE COMMISSIONERS

7a Housing Merger Planning Committee Status Report - January 2010

No meeting in January

7b CDA Draft 2010 Work Plan

Olinger distributed and highlighted the proposed 2010 Work Plan. Kerr suggested listing items by major initiatives and noted that the section on Truman Olson should be expanded to identify goals, i.e., obtaining title for land and working with Engineering on getting Cedar Street through. Shimanski requested that comments from the Commissioners be submitted to staff by the end of the month. This item will be on the March 11 agenda for action.

8 COMMUNITY DEVELOPMENT SUBCOMMITTEE REPORT: January 2010

At the request of Bruer, Brown distributed the minutes of the February 9 Subcommittee meeting to serve as the report.

8a Truax Park Update

Shimanski provided the Truax Park update.

Gap Financing Results

- Finance Team met last week.
- Funding prospects include \$413,000 of T CAP from WHEDA and possibly Capital Fund stimulus monies for public housing.
- Anticipate a mini application round in April for the Capital Fund stimulus monies.

Section 8 Voucher Distribution

- Options are: (1) No Section 8 project-based vouchers, 2) Twenty vouchers or (3) Thirty-six vouchers.
- Prospects for 2010 not good.

Third Party Management of Units

- Looking at using existing staff to manage with different software. Will be meeting with Stone House.

Financing Plan

- Will have more information on financing plan next month.

8b Truman Olson Update: No report

8c Burr Oaks Senior Housing Update

Discussion regarding the acquisition of properties for the proposed Burr Oaks Senior Housing Redevelopment Project

Levitan introduced the idea of the CDA to adopt a resolution to work with the affected owners to identify and purchase other investment properties as part of the implementation of this project.

The registrants were as follows:

1. Sherry Lucille, 414 Diving Hawk, wishes to speak: She struggled with the offer, and was not happy signing it. She noted that she had lost trust in CDA and elected officials, resulting from a process which was unfair and did not protect the owners. She acknowledged that Levitan's idea was a nice offer, but felt that they can do that on their own. She concluded her remarks by noting that they didn't ask for this.
2. John Lucille, 414 Diving Hawk, opposes and wishes to speak: He questioned whether anybody cares, noting that there were no returned phone calls from the Alder or the Mayor's Office. He noted that they didn't need the CDA's assistance in helping them to find other properties.
3. Verline Gee-Fleming, 1708 Fisher Street, opposes and wishes to speak: She acknowledged that she was John Lucille's maternal aunt and wanted to offer her support on his behalf. She shared her background, including moving to Madison and graduating from UW-Madison with a Masters in Sociology.
4. Nedra Bobo, representing owner, opposes and wishes to speak. She thanked Levitan for his concerns and attempts to have the CDA to reconsider the offers. She asked to see a breakdown of the budget. She reiterated her hardship caused by this project. She noted that she had owned the property for 14 years and wanted to pass it on to her kids. She wanted to know how they arrived at the offering price and again noted that the CDA should consider giving the assessed value.
5. Vickie Hellenbrand, 5378 Blue Bill Park Drive, opposes and wishes to speak: She felt offering price was unfair, noting that it should not be less than what they are paying for on taxes. She stated that it seems wrong.
6. Wes Sparkman, 1102 Engelhart Drive, wishes to speak. He appeared as a citizen representative to offer his support on behalf of the owners. He posed a couple of questions: (1) How much time is

legally allowable to inform the owners that their properties are going to be taken? (2) Where else in the city of Madison has eminent domain been used and there been such an impact on Minority Business Owners? and (3) How much effort was made to amend the offers in an attempt to reach an agreement?

At the request of Kerr, Marx came up to the table and responded to his questions. Kerr noted that it would have been nice to have someone from the City Attorney's Office present at the meeting. Bruer commented that the process was legal, fair and equitable. Mr. Sparkman stated that he respectfully disagreed with Bruer.

7. Milele Chikasa Anana, UMOZA Magazine, opposes and wishes to speak. She stated that just because the process was legal does not mean that you have done the right thing. She noted that the issue is one of fairness not legality. She stated that the owners are responsible citizens and landlords, believing in the American dream. They have been paying taxes on the assessed value as the money is in the budget to pay the full assessment. The underlying question is one of fairness; what will they tell their children?
8. Kim Barovic, 2112 Madison Street, wishes to speak: She stressed that it is important to be fair especially when it is possible. It will make a difference in how the CDA is viewed by the bigger community. She concluded by stating that she hopes the CDA would do the fair thing.
9. Duane Steinhauer, wishes to speak: He asked the question: "What would happen with leftover budgeted funds?" Shimanski responded that they could be used to pay potential legal costs down the road. He felt that the CDA was practicing a double standard. On one hand the CDA provides incentives to induce developers while at the same time taking properties from worthy owners.
10. Doug Van Essen, 5 Coach House Drive, opposes and did not wish to speak.

Levitan stated that the CDA did not do the right thing and that he was embarrassed by our action. He noted that this was costing the CDA public support and will leave a dark cloud hanging over the CDA and this project. Levitan felt that the CDA should offer the full assessment, but acknowledged that the item is not noticed on the agenda as an action item that the Board could vote on tonight.

Bruer noted that it was important that we can justify our offers as it can be held up in both public opinion and the court of law.

A motion was made by Levitan for the CDA to reconsider this matter at a special meeting on February 25. The motion failed due to the lack of a second. Levitan departed from the meeting at this time.

The CDA took a 10-minute recess and then reconvened the meeting.

Present: 6 -

Julia S. Kerr; Tim Bruer; Kevin M. O'Driscoll; Gregg T. Shimanski; Alice J. Fike and Kelly A. Thompson-Frater

Excused: 1 -

Stuart Levitan

8d The Villager Update

[17359](#)

CDA Resolution No. 2942, authorizing an amendment to the CDA contract with J.H. Findorff & Son, Inc. for construction manager/contractor services for the remodel of the Atrium at The Villager.

A motion was made by O'Driscoll, seconded by Kerr, to Approve. The motion passed by voice vote.

9 ALLIED DEVELOPMENT SUBCOMMITTEE REPORT

Allied Drive Update

9a Allied Drive Phase 2 Update

Thompson-Frater provided a brief update. Minutes of the February 3 Allied Development Subcommittee meeting were distributed.

9b [17250](#)

A resolution authorizing the City Attorney to petition Dane County Circuit Court to vacate/discontinue a portion of the lands dedicated to the public within the plat of 1st Addition to Allied Terrace to allow recording of the Allied Drive Phase II plat.

A motion was made by Thompson-Frater, seconded by Levitan, to Return to Lead with the Recommendation for Approval to the Public Works. The motion passed by voice vote.

10 Discussion regarding the financing application for Wingra Commons, LLC Senior Housing Project

Tom Sather and Henry Gempeler, representing Silverstone Partners, Inc., made a presentation regarding the proposed Wingra Commons Senior Apartments project. They also registered in support of adoption. The proposed project is an \$8.9 million, 62-unit independent living affordable senior apartment to be located at 1012 Fish Hatchery Road. The applicant is

seeking City financial assistance in the amount of \$695,000 to fund the Gap. An appraisal of the property prepared by D. L. Evans Company for Silverstone Partners, Inc., estimates the land area at \$18,000 per unit. The CDA's independent appraisal is at \$20,000 per unit based on a 38-unit rental market rate project.

According to Gempeler, the project has been well received by the neighborhood and approved by the Urban Design Commission, Plan Commission and Common Council for 62 units of elderly housing.

2010 is the last year that WHEDA is allowed to issue a 30% boost to all tax credits located in flood-affected communities. This boost represents \$1,234,000 of the tax credit equity for this project.

The applicant stressed the need to receive the decision on City financing in time to meet the March 26, 2010 tax credit application deadline.

Bill White, representing Clark Street, registered and spoke in support of adoption.

11 CLOSED SESSION NOTICE

A motion was made by Kerr, seconded by O'Driscoll, to Convene into Closed Session. The motion passed by the following vote:

Excused: 1 -

Stuart Levitan

Ayes: 6 -

Julia S. Kerr; Tim Bruer; Kevin M. O'Driscoll; Gregg T. Shimanski; Alice J. Fike and Kelly A. Thompson-Frater

11a Discussion regarding the financing application for Wingra Commons, LLC Senior Housing Project

11b Discussion on negotiations of the Development Agreement between the CDA and Horizon Development Group, Inc. for the proposed Burr Oaks Senior Housing Redevelopment Project.

A motion was made by O'Driscoll, seconded by Thompson-Frater, to Reconvene. The motion passed by the following vote:

Excused: 1 -

Stuart Levitan

Ayes: 6 -

Tim Bruer; Kevin M. O'Driscoll; Gregg T. Shimanski; Alice J. Fike; Kelly A. Thompson-Frater and Julia S. Kerr

12 ADJOURN

The meeting adjourned at 8:10 p.m.

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