



City of Madison

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

Meeting Minutes - Draft COMMUNITY DEVELOPMENT AUTHORITY

Monday, April 9, 2012

12:00 PM

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

~ COMMUNITY DEVELOPMENT SUBCOMMITTEE MEETING ~

SCHEDULED MEETINGS

Allied Development Subcommittee: Tues., April 10, Noon, LL-130 MMB
Housing Operations Subcommittee: Wed., April 11, 4:30 p.m., 120 MMB
CDA Regular Meeting: Thurs., April 12, 4:30 p.m., 260 MMB
CDA Special Meeting: Thurs., April 26, 4:30 p.m., 313 MMB
Community Development Subcommittee: Mon., May 7, Noon, 313 MMB

CALL TO ORDER / ROLL CALL

The meeting was called to order by Chair Kelly Thompson-Frater.

Present: 3 - Daniel G. Guerra, Jr.; Gregg T. Shimanski and Kelly A. Thompson-Frater
Absent: 1 - Tim Bruer
Excused: 3 - Sue Ellingson; Alice J. Fike and Stuart Levitan

1 APPROVAL OF MINUTES: March 5, 2012

Erdman said that under Item #11, it should read \$150,000 instead of \$300,000.
The minutes were approved as amended.

A motion was made by Shimanski, seconded by Guerra, Jr., to Approve the Minutes, as amended. The motion passed by voice vote.

2 PUBLIC COMMENT

None

3 DISCLOSURES AND RECUSALS

None

4 [25013](#) CDA EXECUTIVE DIRECTOR'S REPORT

See attached

5 [25491](#)

CAPITAL REVOLVING FUND REVIEW UPDATE

Erdman stated she had a meeting with Aaron Olver and Steve Cover. The general feeling is we go ahead with a series of phases. Better outreach. Add some additional thoughts on how we can restructure some loans. Two requests submitted - one on North side (Bruns - North Side Town Center) and application pending for gas station on Park Street (completely rebuilt). Working through Gromacki's schedule.

Guerra said the chart represents the different phases of implementation, marketing plan, and recommendations on how to better utilize the funds.

Guerra asked Mr. Bruns about his project. Mr. Bruns stated he is proposing a build out of a former hardware store for an aging resource center. The tenant would be Dane County. It would create 75 new jobs. The building is 75,000 square feet. Guerra asked Mr. Bruns how he became aware of the funds through the City. Mr. Bruns stated his main contact has been Joe Gromacki.

Marx stated we may need to have a special meeting to handle the North Side Shopping (Northport & North Sherman Avenue across from Warner Park) Center Capitol Revolving Loan at the end of month.

6 [19141](#)

TRUMAN OLSON UPDATE

No new activity

7 **CHOICE NEIGHBORHOOD PLANNING GRANT UPDATE**

Erdman said a lot of work has been done. This is a joint application between the City of Madison and the CDA. There are a variety of areas for scoring, including capacity. We have a good chance to score well on capacity and plan, but are not scoring well on need or leverage. Urban League (UL) applied for a Promised Neighborhoods Initiative from the Department of Education, which is meant to be paired with a Choice Neighborhood Planning (CNI) Grant. They did not receive the grant. Urban League has raised money privately for a promise zone and set up an oversight leadership team regarding education, jobs, and health. CDA could cover the real estate part. The leadership team has all the senior people, including the Mayor. We will add someone from the CDA and pick up the real estate piece. Urban League received an honorable mention for their application. This might help our cause. We have a framework for a plan that would score well. We are running into problems on the need. She distributed self scoring sheet by Amy (attached). Could score full 20 points for capacity. Exhibit D - need section. Had bad WEAC score of west properties in the last round. Structural deficiencies will be tough for us to score. Keep properties in good repair. Not scoring well on leverage either (how much money we get from others). Have resolution that says the CDA would fund \$75,000. Can get a letter from School District, Dane County & UL. Could go for a lesser amount. Lower on poverty than we had hoped.

7a [25893](#) CDA Resolution No. 3079, authorizing the authority to commit funding for the Choice Neighborhood Initiative Planning Grant Application.

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

8 [24204](#) **TRUAX PARK PHASE II UPDATE**

TRUAX PARK PHASE I

WHEDA continues to be very positive about work that was done in Phase I.

8a [25894](#) CDA Resolution No. 3080, authorizing the Authority to modify the terms of repayment for the mortgage note in the amount of \$1,025,000 from Truax Park Redevelopment, Phase I, LLC, to the Authority.

The City lent money to the CDA and the CDA lent it to Truax. The first payment is due December 2012. Restructure payment from partnership to CDA so you pay what's due for this year in October 2012 vs. 2011. Match up cash flows to timing of payments.

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

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

9a Retail Marketing Update

Shimanski stated that the laundry was not well received. Erdman discussed Jimmy Johns. Money partner doesn't seem interested. Put on agenda for next time.

9b Access Community Health Update

Signed Purchase & Sale Agreement.

9c [25892](#) CDA Resolution No. 3081, authorizing the execution of a First Amendment to Operation and Easement Agreement between the CDA, the Urban League of Greater Madison and Madison Community Health Center, Inc. for The Village on Park.

A motion was made by Shimanski, seconded by Guerra, to recommend approval.

Marx distributed a copy of the CSM (attached). The City owns Lot #1, UL owns Lot #2. There is an operating easement agreement between the two owners. Have to amend the operating easement agreement to reflect division of City's lot. Pull Access out from common area charges. Only responsible for maintenance, and snow plowing on their parcel. No parking privileges on balance of site. Cross easements for access, pedestrians, etc.

Share common area maintenance with UL for balance of site.

The motion was approved by voice vote.

10 LAKE POINT TIF EXTENSION UPDATE

Erdman - If we commit to spend money this year (City) in this TIF District, the TIF District can be kept open. Need Resolution to Council before May 1st. Get budget approval from Council. Ald. Bruer would be sponsor. \$150,000 of expenses. CDA cannot be this party because they do not have a valid Redevelopment district. MDC owns building at 1910 Lake Point (across from Community Center) that they would like to sell back to us. Purchase their building and potentially take it down. That would keep district open. Parcel to trade with going forward. Sit down and look at what should happen in the district and what kind of budget it would take. Would have to create a new Redevelopment district. Need to do a blight study and create a new Redevelopment District. Marx said this would take 90 days. Erdman said we could have access to increment in the future subject to Council approval. Shimanski was okay with this if we have access to increment in the future. Erdman said she had a discussion with the Mayor's office regarding keeping the district open. Any type of significant borrowing is going to be hard to get approved. Use increment that's there instead of borrowing money. Need to craft Resolution for Council to have that access. Mayor thinks it's worth it to pursue. MDC's building used to be a four-plex, but now it's a daycare facility. Shimanski has concerns that we won't stay focused on other projects. Thompson-Frater asked why this wasn't reconstituted in 2006.

11 THORSTAD REDEVELOPMENT AREA UPDATE

Erdman - Property transferred, but don't know anything further. Marx said it closed on March 14. John Schaefer acquired site.

12 ADJOURNMENT

A motion was made by Guerra, Jr., seconded by Shimanski, to Adjourn. The motion passed by voice vote. The meeting adjourned at 12:46 p.m.