



City of Madison

City of Madison
Madison, WI 53703
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Meeting Minutes - Approved COMMUNITY DEVELOPMENT BLOCK GRANT COMMITTEE

Thursday, May 7, 2015

5:00 PM

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

CALL TO ORDER / ROLL CALL

- Present:** 5 - Maurice S. Cheeks; Samba Baldeh; Colin A. Bowden; Daniel A. O'Callaghan and Joseph M. O'Connell
- Absent:** 2 - Matthew J. Phair and Ben M. Van Pelt
- Excused:** 1 - Greg L. Rosenberg

CITY STAFF: Anne Kenny, Jim O'Keefe, Susan Morrison, Linette Rhodes, Julie Spears

CALL TO ORDER / ROLL CALL

O'Callaghan called the meeting to order at 5:05 p.m.

Notified Absent:

APPROVAL OF MINUTES

Bowden moved to approve minutes from April 2, 2015. Ald. Cheeks seconded. The motion passed unanimously.

PUBLIC COMMENT

There was no public comment.

DISCLOSURES AND RECUSALS

O'Callaghan noted that his law partner Bill White does pro bono work for Porchlight, so he will abstain from Item 37806 regarding Porchlight's acquisition of property at 4130 Lien Road. He doesn't believe he has an actual conflict of interest, so he won't need to leave the room for discussion, but he will also not participate in discussion.

[38207](#)

CDBG May Chair Report

O'Callaghan said that former Committee member Monya Choudhury shared an article on some success Charlotte, NC, has had measuring the impact of community development work they're doing. They've been able to put an economic price tag in savings to the city resulting from community

development initiatives. O'Callaghan would like to see a similar effort to track how the City of Madison benefits from community development investments. Porchlight's acquisition of property at 4130 Lien Road. He doesn't believe he has an actual conflict of interest, so he won't need to leave the room for discussion, but he will also not participate in discussion.

Alder Phair arrived at the meeting 5:10 p.m.

Present: 6 - Maurice S. Cheeks; Samba Baldeh; Matthew J. Phair; Colin A. Bowden; Daniel A. O'Callaghan and Joseph M. O'Connell

Absent: 1 - Ben M. Van Pelt

Excused: 1 - Greg L. Rosenberg

[38207](#)

CDBG May Chair Report

O'Callaghan also noted that he saw a couple of kennel-like structures in the back of the Madison Municipal Building (MMB) storing personal possessions of homeless persons. It's not a good solution to the issue of where to store their items, and he feels a sense of personal failure since it's this Committee's role to address homeless issues.

O'Keefe said the City has budgeted funds in 2015 to rent space at the Social Justice Center on Williamson Street for storage of homeless persons' belongings. There has been an attempt to connect the Social Justice Center to downtown through a van service offered by Porchlight. Moving the items to the back of the MMB was done in response to security issues with storing the items in the front of the City County Building (CCB). Storage of items in front of the CCB has been a matter of convenience for homeless persons.

BUSINESS ITEMS

[37806](#)

Authorizing an allocation of up to \$200,000 in federal CDBG funds to support Porchlight, Inc.'s acquisition of property located at 4130 Lien Road, for the purpose of building 16 units of supportive permanent housing.

Brad Hinkfuss and Karla Jameson of Porchlight gave an overview of the proposal, which was referred from last month's meeting. Rhodes also gave a brief overview of the resolution. She said that they propose to purchase land for new construction for 16 to 21 units of permanent supportive housing. They're going to use private funds to rehabilitate the current building on the property to turn it in to their new commercial kitchen, which is currently located at their Brook Street property. It's overcrowded at that location, so they need to relocate. The overall project will have a housing and job training component.

Hinkfuss said this is a two-phase project, with phase one addressing the existing building. Phase two will involve new construction of housing in the former parking lot of the site. The warehouse and kitchen renovation will cost about \$1 million, and the construction of the 16-unit building will cost a little over a million dollars as well.

Jameson said there are two different programs going on at the site. One is the

expansion of their Porchlight Products program where they purchase locally grown produce and turn it into various products for sale to grocery stores and restaurants. They would like to increase production and sales and do job training to about 38 to 40 homeless persons. The other piece will involve 16 units of affordable permanent supportive housing with 70% of residents at less than 30% AMI and 25% at less than 50% AMI. A case manager will work with everyone there.

Discussion highlights:

- Ald. Baldeh asked if Porchlight has programs for couples. Jameson said they have single room occupancy (SRO) units and some efficiencies and one-bedroom units. They do have some two- and three-bedroom units for larger families, but they don't get many calls for housing for couples. Ald. Baldeh asked them to look into the possibility of taking in couples at the new facility.
- Rhodes said there would be a little over \$1 million left in the housing development reserve funds after this Porchlight project.

Ald. Phair moved to return the resolution to lead with the recommendation for approval. Ald. Cheeks seconded. The motion passed unanimously, except for O'Callaghan who abstained from voting.

38213

Authorizing the City of Madison to accept a grant from the State of Wisconsin, DOA, Division of Housing in the amount of \$371,167 to provide down payment and closing cost assistance to low and moderate-income homebuyers; amending the Community Development Division's 2015 Operating Budget; and authorizing the Mayor and City Clerk to enter into agreements necessary to accept the funds.

Rhodes said the allocation from the State is up from last year's allocation of \$310,000. The application was submitted in February, and the funds will go into the Home Buy the American Dream program for downpayment assistance.

Discussion highlights:

- The application was for about \$500,000 as it is every year. CDD used to receive about \$200,000 in funds, but the amount has been increasing over the years due to needs in Dane County. Dane County Housing Authority eliminated their downpayment assistance program, so this money fills gaps in the community.
- People in the city can receive up to \$10,000 in assistance. People outside the city in Dane County can receive up to \$5,000 in assistance. Less than three percent of loans go to county residents.

Bowden moved to return the resolution to lead with the recommendation for approval. O'Connell seconded.

38215

Authorizing an amendment to Common Wealth Development, Inc.'s contract for HOME-assisted rental housing acquisition and rehabilitation at 5726 Balsam Road., reducing the number of HOME-assisted units by one for the purpose of creating an unrestricted resident manager unit.

Paul Jasenski of Common Wealth Development (CWD) described their request to reduce the number of HOME-assisted units by one at 5726 Balsam Road. They would like to have a resident manager at that site to assist residents with social service networking primarily during evenings and weekends. The big glitch is that if the resident manager doesn't work out for whatever reason,

CWD could terminate their resident manager contract but not their lease under HOME regulations except for egregious and repeated violations of the lease.

Spears said that under HOME regulations if the tenant's income goes over 80% AMI, then the tenant's rent would become 30% of tenant's income. CDD is asking for an amendment to the contract to reduce the number of HOME units from eight to seven. Assistance per unit would then increase from \$54,000 to \$62,700 each. CDD is, therefore, also asking for a waiver of the Framework limit of \$60,000, which is the limit for energy efficiency modifications. This is an investment in the neighborhood justifying the increase.

Discussion highlights:

- CWD will probably advertise and get the word out locally for the resident manager.
- The resident manager will likely be a low-income individual, and their rent will be discounted or free.

Ald. Phair moved to return the resolution to lead with the recommendation for approval. Ald. Cheeks seconded.

REPORTS

[38208](#)

CDBG May 2015 Staff Report

2015 - 2019 Consolidated Annual Performance and Evaluation Report (CAPER)
2014 Consolidated Plan and Action Plan
B-List Allocations
Emerging Opportunities Program (EOP) and Community Building Engagement (CBE)
Neighborhood Centers
Affordable Housing Fund

2015-2019 Consolidated Annual Performance and Evaluation Report (CAPER)

Morrison said that the CAPER is the annual report CDD submits to HUD on performance for the previous year. She went over a few highlights of the 2014 goals and objectives that were funded. Charts on pages 184-185 show how money was spent. There's a wide variety of funding sources, including Federal, State, and City, with 33% of the total funds coming from City levee. The CAPER was submitted to HUD in March and recently approved.

2014 Consolidated Plan and Action Plan

Morrison said the Committee approved the Con Plan several months ago. It's a five-year plan for spending Federal, State, and City funds from 2015-2019. The Executive Summary succinctly lays out the goal areas where CDD is spending its money with estimates of how much will be spent in each area.

O'Callaghan welcomed and introduced Ald. Samba Baldeh to the Committee. Ald. Baldeh said he is originally from Gambia and came to Madison 15 years ago. He went to school here and has done a lot of community volunteer work. He is married with no children at this time and owns an IT consulting business called Team Consultants. He is looking forward to working with everyone on the Committee.

B-List Allocations

Morrison said that CDD receives its final estimates on funding allocations from HUD at this time of year. The Committee finalized its B-List of allocations last summer to account for any extra money HUD may allocate. CDD has an extra \$41,051 in CDBG money, \$102,722 in HOME money, and \$20,574 in ESG money. At the top of the B-List is Common Wealth Development. The combination of extra CDBG and HOME money will go to first project on the B-List, CWD rental development. The additional ESG funding will go to the only program eligible for ESG money on the B-List, Tenant Resource Center's (TRC's) bilingual housing resources specialist.

O'Keefe said there is currently lack of clarify regarding whether staff needed to come to the committee for approval to substitute one funding source for another. He asked the Committee what they thought about giving staff the option of switching out funding sources (not amounts) without having to come back to the Committee for authorization. Morrison stated the CWD B-List project is a good example of a case where this kind of flexibility might make sense. Ald. Cheeks suggested bringing the request to the next meeting for action.

Emerging Opportunities Program (EOP) and Community Building Engagement (CBE)

O'Keefe said that the Common Council made final recommendations on Tuesday for funding EOP proposals. He thanked O'Callaghan, Van Pelt, and Ald. Phair for their service on the Conference Committee. There were 36 requests totaling almost \$750,000 with \$175,000 available in funds.

O'Keefe said CDD received seven requests totaling \$330,000 for the \$100,000 available in CBE funds. The Conference Committee made awards to two proposals: 1) a joint proposal between Lussier and Goodman neighborhood centers, and 2) a proposal by Centro Hispano.

Ald. Phair said that EOP funding has generated a lot of work for staff in reviewing proposal and administering small contracts. The City has to consider what the plan is for the future of both these funding programs. Ald. Cheeks said that funding these small new programs almost creates a follow up problem in how to continue funding for the programs. O'Callaghan asked if EOP funding process is being evaluated by Forward Community Investments (FCI), and O'Keefe said yes. O'Callaghan suggested a subcommittee or work group be created to work on funding issues.

Neighborhood Centers

O'Keefe said Theresa Terrace is nearing completion. The lease is being finalized with Wisconsin Youth Company. A soft opening is scheduled for May 20 for Ald. Phair, residents, and staff. Summer youth programming is scheduled to being June 15. On June 24, there will be a more public grand opening for the center in conjunction with the Meadowood Neighborhood Center, which is now open and operating.

O'Keefe said the City has held community outreach sessions as to what to do

with the Griffs property on Gammon Road. Staff will meet to collect and digest information gained at those sessions and begin talking about what should be done at that facility. A September or October opening date was originally anticipated but may not happen that quickly.

O'Keefe said there is interest by a third party in making a substantial new investment in the Vera Court Neighborhood Center on the city's north side. The investment will involve significant expansion.

O'Keefe said that the Council authorized a planner position in the 2015 operating budget for CDD to help put together an investment plan on how the City might choose where and when to invest in neighborhood centers. A new resolution on the position will go to BOE in May and then to Council for final approval.

Affordable Housing Fund

O'Keefe said that three of the five projects supported by the City received tax credits from WHEDA. The three that received tax credits also received City funds via CDD's 2014 Affordable Housing Fund RFP process. . These projects will add more than 200 units of affordable housing to the city's inventory by the end of 2016. The bad news is that the permanent supportive housing project on Tree Lane did not receive tax credits. The CDD will be spearheading a second AHF RFP this summer that will be synchronized with WHEDA's next application cycle.

O'Keefe said that the City is working to keep TIF districts open for an extra year, where appropriate, to support affordable housing projects, as provided by state statute. Projects need not be confined to the boundaries of the TIF district. The first TIF district that's ready to close is the Monroe Commons district, which is relatively small and which generates a \$500,000 increment annually.

37756

Report from committees with CDBG Committee representation

1) Gardens Committee

There was no report.

2) Martin Luther King, Jr. Humanitarian Award Commission

Bowden said there were some issues with one of the nominees from last year's process in that the nominee shouldn't have been allowed. The Commission will make sure it adheres to the rules more tightly in the future. There was also discussion on whether or not to have a "youth" award. Bowden suggested calling it an "emerging leader" award. He said the Commission is looking for nominations for its awards. The deadline for nominations is at around Christmas.

ADJOURNMENT

Ald. Phair moved to adjourn at 7:00 p.m.; Ald. Cheeks seconded. The motion passed unanimously.

Anne Kenny, recorder