



City of Madison

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

Master

File Number: 07172

File Number: 07172

File Type: Resolution

Status: Comptroller Review
Required

Version: 2

Reference:

Controlling Body: Comptroller's
Office/Approval
Group

Requester: COMMUNITY
DEVELOPMENT
AUTHORITY

Cost:

Introduced: 08/07/2007

File Name: Allied Drive Neighborhood Redevelopment Plan
Master Developer-CDA

Final Action:

Title: A Substitute Resolution Authorizing the City to Negotiate with the CDA to act as Master Developer of the City properties located at 2317, 2345, and 2409 Allied Drive and 4705 and 4713 Jenewein Drive.

Notes:

Code Sections:

Agenda Date: 08/07/2007

Indexes:

Agenda Number:

Sponsors: David J. Cieslewicz and Brian L. Solomon

Enactment Date:

Attachments: Res07172AlliedMasterDeveloper.pdf

Enactment Number:

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Community and Economic Development Unit	08/01/2007	Fiscal Note Required / Approval	Comptroller's Office/Approval Group		08/01/2007	
1	Comptroller's Office/Approval Group	08/01/2007	Approved Fiscal Note By The Comptroller's Office	Community and Economic Development Unit		08/01/2007	
1	Department of Planning and Community and Economic Development	08/01/2007	Refer for Introduction				
1	COMMON COUNCIL	08/07/2007	Refer	COMMUNITY DEVELOPMENT AUTHORITY			
1	COMMUNITY DEVELOPMENT AUTHORITY	08/07/2007	Refer	COMMUNITY DEVELOPMENT BLOCK GRANT COMMISSION			
1	COMMUNITY DEVELOPMENT AUTHORITY	08/07/2007	Refer	BOARD OF ESTIMATES			

1	COMMUNITY DEVELOPMENT AUTHORITY	08/07/2007	Refer	ALLIED AREA TASK FORCE
1	COMMUNITY DEVELOPMENT AUTHORITY	08/07/2007	Refer	HOUSING COMMITTEE
2	Community and Economic Development Unit	08/22/2007	Fiscal Note Required / Approval	Comptroller's Office/Approval Group

Text of Legislative File 07172

..Fiscal Note

[enter Fiscal Note here]

..Title

A Substitute Resolution Authorizing the City to Negotiate with the CDA to act as Master Developer of the City properties located at 2317, 2345, and 2409 Allied Drive and 4705 and 4713 Jenewein Drive.

..Body

WHEREAS, the City of Madison through action of the Common Council adopted an affordable housing plan for the Allied area; and

WHEREAS, the four-day community design workshop process outlined several visions for redevelopment of the City-owned properties; and

WHEREAS, the CDA is the City's development authority and has experience addressing large scale neighborhood revitalization efforts and the management of existing housing; and

WHEREAS, the CDA has access to financing that will help spur the redevelopment of the City-owned properties; and

WHEREAS, there are limited financial options to ensure that affordability of rental and ownership property is maintained because of the lack of additional TIF dollars and limitations regarding the availability of project based Section 8 Vouchers; and

WHEREAS, the CDA is the best organization to obtain, over time, repayment for the original City investments in the Hauk Property while at the same time providing affordable and high quality housing opportunities for a diversity of households in the Allied area; and

WHEREAS, the CDA would be able to commit development proceeds back into additional redevelopment opportunities within the neighborhood;

WHEREAS, that while there has been interest expressed by local non-profit housing developers and providers to get involved, there are no local non-profit providers who are able to assume responsibility for the entire project. Thus, the ability to manage the redevelopment in phases is essential, because it allows developers, non-profits, and agencies to be involved at levels commensurate with their resources; and

WHEREAS, the CDA will retain ownership of all the land under the rental units so as to keep units affordable in perpetuity, guard against blight, and provide a modest source of long-term income to contribute to local community services in the neighborhood; and

WHEREAS, applications for WHEDA Section 42 Low-Income Housing Tax Credits are due in February 2008 and the CDA is one of only a few organizations with the ability and wherewithal to assemble an application in time; and

WHEREAS, the CDA would assume responsibility for some or all of the rental portion of the site and issue RFPs for the balance of the site;

NOW THEREFORE BE IT RESOLVED that the City agrees to negotiate with the CDA to act as the Master Developer of the City-owned properties at 2317, 2345, and 2409 Allied Drive and 4705 and 4713 Jenewein Drive; and

BE IT FURTHER RESOLVED that the CDA will include the following in their final proposal back to the City Council:

- A market analysis conducted by an independent entity,
- A plan for how the CDA will develop the capacity necessary to implement this redevelopment project,
- An overall 3-5 year plan for the neighborhood and how this redevelopment project fits into a broader, comprehensive strategy for the neighborhood, and

BE IT FURTHER RESOLVED that the CDA will solicit neighborhood involvement by developing several options for redevelopment, conducting an initial neighborhood meeting that presents those options to neighbors and solicits feedback, and conducting at least one additional meeting that presents a more detailed plan addressing the feedback; and

BE IT FURTHER RESOLVED that a portion of the current City property will be redeveloped into a mix of 40-48 lower-income rental units to provide housing to the households in need of very affordable housing, with priority given to existing City property and Allied area residents; and

BE IT FURTHER RESOLVED that the WHEDA application will be submitted in February 2008; and

BE IT FURTHER RESOLVED, that the rental units will be developed by the CDA using traditional real estate development models, the visions developed by the community design workshops and the resolution adopting an affordable housing plan for Allied Drive. Fees earned by the CDA for this phase of the redevelopment will be systematically redeployed into the neighborhood as part of the adopted City policies, plans, and objectives; and

BE IT FURTHER RESOLVED, that the remaining portion of the City-owned property will be redeveloped into a mix of 50-70 owner-occupied units (available via direct purchase, rent-to-own, or other strategies that will encourage availability to low-income residents) open to a mix of income ranges. Redevelopment of these sites will be initiated as a joint effort between the CDA and public, non-profit, or private developers through an RFP process; and

BE IT FURTHER RESOLVED, that it is anticipated that the total redevelopment of these sites will add another \$15-\$17 million of value to the neighborhood tax base thereby improving the fiscal condition of the City related to the purchase of the former Hauk property; and

BE IT FURTHER RESOLVED that the Common Council hereby finds and determines that this transfer of the City properties to the CDA is consistent with the public purposes, plans and objectives set forth in the TID 29 Project Plan, the community design workshop process, and the resolution adopting an affordable housing plan for Allied Drive; and

BE IT FURTHER RESOLVED that staff is authorized to negotiate an agreement to provide for the transfer of the City properties to the CDA, for all associated terms and conditions; and

BE IT FURTHER RESOLVED, that that if negotiations for the transfer of the properties are agreeable that the proposed agreement will be brought before the Common Council for further action; and

BE IT FINALLY RESOLVED that, once the final plan has been approved by the City Council, the Mayor and City Clerk are authorized to sign any and all documents related to this transfer.