



Community Development Authority

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TO: Common Council

FROM: Gregg Shimanski, Chair
Natalie Erdman, Executive Director

SUBJECT: 2010 CDA ANNUAL WORK PLAN

Pursuant to the Contract for Services, Materials and Equipment between the City of Madison and the Community Development Authority of the City of Madison (CDA), we are pleased to submit the adopted 2010 Work Plan. The CDA approved the Annual Work Plan on September 16, 2010, which was subsequently referred to the Mayor for his concurrence. The Work Plan sets forth and prioritizes the proposed activities in both the CDA's functional areas of Community Development and Assisted Housing. The CDA has made significant progress to date on the priority activities identified in the Work Plan including several new housing, economic and redevelopment initiatives.



2010 ANNUAL WORK PLAN COMMUNITY DEVELOPMENT AUTHORITY OF THE CITY OF MADISON

Approved By the CDA on September 16, 2010

The Contract for Services, Materials, and Equipment between the City of Madison and the Community Development Authority of the City of Madison (CDA) executed in July 1981 and amended in May 1990 specifies that the Mayor and the CDA shall prepare an Annual Work Plan. The purpose of the Work Plan is to prioritize the programs and projects that the CDA will administer or oversee in 2010. The CDA has two functional areas: Community Development and Assisted Housing. The Annual Agency Plan for Assisted Housing was approved by the CDA and subsequently submitted to HUD in October 2009.

The 2010 Work Plan continues to promote the major themes that the CDA has been pursuing for the past several years. These primary themes are an emphasis on (1) economic and redevelopment initiatives in the South Madison, Allied Drive and West Broadway-Lake Point neighborhoods, and downtown; (2) improvement of the housing stock and increased owner-occupancy, (3) blight elimination, and (4) increased housing choices for lower-income households. Listed below are the year 2010 priorities with the CDA's two functional areas.

COMMUNITY DEVELOPMENT

Redevelopment

SOUTH MADISON

- **Badger-Ann-Park Street Redevelopment District (14 AD):**

In 2010, the CDA will continue the approximately \$5.8 million redevelopment (phases I and II) of The Villager. The 2010 Capital Budget contains \$800,000 for demolition of the south building.

The CDA will complete land assemblage activities, including acquisition, relocation of tenants and demolition of structures, for an affordable senior housing project in the Badger Road/Cypress Way/Hughes Place area. The CDA will work with Horizon Development to implement the \$7.4 million Burr Oaks Senior Housing project, which was awarded Low-Income Housing Tax Credits in 2010. It is anticipated that construction will begin in the fall.

- **Wingra Redevelopment Planning Area (13 AD):**

In 2008, the CDA in its role as the Local Redevelopment Authority (LRA) for the reuse of the surplus Truman Olson Army Reserve Center received four Notices of Interest from Porchlight, Goodwill, the African-American Academy and the Madison Central Montessori School.

Following an extensive public participation process, the CDA selected Porchlight and Goodwill. On September 2, 2008, the Common Council adopted the CDA's recommendations outlined in the Redevelopment Plan, Homeless Assistance Submission, and Public Comment documents regarding the Truman Olson United States Army Reserve Center property and authorizing submission by the LRA of said documents to the Federal Government. In 2010, the CDA will complete the following activities related to the Truman Olson property:

1. Submit the final/approved LBA for the accommodation of Goodwill (completed 1st Quarter).
2. Negotiate and submit the final/approved LBA for the accommodation of Porchlight (completed 3rd Quarter).
3. Support the necessary land use approvals for Porchlight (completed 3rd Quarter).
4. Receive all HUD approvals (completed 4th Quarter).
5. Negotiation with the Department of Defense regarding the purchase of the Truman Olson property in 2011 (begin in the 1st Quarter, with negotiations concluded following HUD approval noted above).
6. Oversee engineering the extension of Cedar Street, with a goal of 2012 construction.
7. Monitor and support implementation of other aspects of Wingra BUILD plan that may become apparent throughout the year.

SOUTHWEST

- **Allied Drive Neighborhood (10 AD):**

In 2008, the CDA, through a cooperation agreement with the City of Madison became the master developer for approximately 9 acres of land on Allied Drive. In July 2008, the CDA began construction of the 48-unit phase I, Low-Income Housing Tax Credit project. The project, now known as Revival Ridge, was completed on time by December 2009, under budget, and is now fully rented.

In 2010, the CDA will continue to act as the Managing Member of the Allied Drive Redevelopment LLC, overseeing the operation of Phase I Revival Ridge.

In 2010 the CDA will finalize the Phase 2 replat, collaborate with the City on public improvements in Phase 2 which are scheduled to be completed in the fall, approving architectural design guidelines and implementing an Allied Phase II Homeownership Program in collaboration with WHEDA, the Dane County Housing Authority, the Home Buyers Round Table of Dane County, and Green Path, Inc.

EAST

- **Truax Park/Darbo-Worthington Redevelopment Area (17 AD):**

Truax Park Apartments Rehabilitation: The CDA began a long-range planning initiative that examined the CDA's existing stock of properties. The Truax Park Apartments Site was selected as the first Site for further examination. A redevelopment plan was developed and adopted by the Common Council as part of the City's

Comprehensive Plan. Tax Credit funding was secured for rehabilitation of some of the Truax units and will take place in 2010. Other funding will be sought for further rehabilitation and new construction.

Hope VI Application for Truax Park and Darbo-Washington: The CDA will apply for a HOPE VI Grant in 2010, which will encompass Truax Park and Darbo-Worthington public housing sites. While no dates are certain the CDA understands that the notice may be released in the first quarter of 2010, with a due date perhaps late second quarter, early third quarter of 2010. The work necessary to make the tight application deadlines will consume a significant amount of staff resources during the first half of 2010.

SOUTHEAST

- **West Broadway Redevelopment Area (14 AD):**

Lake Point Condominium Property: In 2008, the 50-unit Lake Point Condominium project was placed in receivership. During 2009 nine units were sold, bringing the total number of units sold to 29. In 2010, the CDA will continue to work with the Receiver, seeing to the sale of the remaining new and rehabbed units.

Exterior Property Improvements: In 2010, the CDA will offer the special 10-year deferred loan program to assist owners of properties on Lake Point Drive between Hoboken Road and Weber Drive to enhance the visual and exterior appeal of their residential properties. The CDA will aggressively market the program to the owners with a goal of completing and closing it out by the end of 2010.

Monona Shores Apartments: The Monona Shores Apartments, which was redeveloped in 1998-99 into 104 rental units, remains an integral component of the West Broadway Redevelopment Plan. The property remains stable. In 2010, the CDA will continue to work with the Madison Revitalization and Community Development Corporation, the Managing Member of the Monona Shores Redevelopment, LLC (the owner) in overseeing the management and operation of the property.

Neighborhood/Economic Revitalization

- **Madison Capital Revolving Fund:** In 2010, the CDA will pursue pending projects and other development proposals generated during the year, to the extent funds are available. The CDA will also continue to administer the popular Façade Improvement Grant Program, including conducting direct mailings and presentations to business associations and others interested in the Program in targeted areas. Funding in 2010 for the Façade Grants is \$150,000. \$80,000 in Façade Improvement Grant Funds has already been committed in 2010.

- **Residential Rehabilitation and Home Purchase Assistance Programs:** The CDA will continue to administer the Deferred Payment, Installment, Homebuyers Assistance, Rental Rehabilitation, and Home-Buy Down Payment Assistance Loan programs. A Pilot Work Force Housing Initiative will be developed and implemented in collaboration with major employers and WHEDA as a component of the Homebuyers Assistance in the Vilas Greenbush Neighborhood. In 2010, the interest rate for the installment loans will be 3.25%. The CDA will continue to market these programs among owners, landlords, local lenders, buyers, realtors and affordable housing developers. The CDA will receive approximately \$2,011,081 or \$2.0 million in 2010 Federal HOME Program funds and rehabilitation loan repayments and program income for rehabilitation activities, Federal economic stimulus monies for energy related home improvements, and State Department of Commerce funds for down payment assistance.
- **Home Buyer Fair:** The CDA, which co-sponsored the Annual Home Buyer Fairs in 2007, 2008, and 2009, will continue to co-sponsor the Fair in 2010.
- **Affordable Housing Projects:** In 2010, the CDA may pursue or be asked to assist several potential affordable housing projects. The CDA will continue to implement the Section 8 Homeownership Program in collaboration with the Dane County Housing Authority. Additionally, the CDA is working closely with HUD and FNMA to explore other housing development options. The CDA will continue to administer the \$4.1 Million Fannie Mae American Communities Capital Revolving Fund Program.
- **Peripheral Land Development:** The CDA will continue to pursue funding in collaboration with the City of Madison in the Capital Budget for peripheral land development as one means to promote owner-occupied housing, especially for low- and moderate-income households.
- **Land-Bank Program:** The CDA will develop and budget for a pilot program for the purchase of lots sized for housing affordable to moderate-income, single-family homebuyers in new plats to be land-banked specifically for resale to the target population (as proposed by Starter Home Task Force).
- **Tax-Exempt Revenue Bonds:** The CDA will continue to issue housing and redevelopment revenue bonds, as requests are submitted, which meet the CDA's criteria.
- **Miscellaneous Housing Studies:** The CDA may participate in various housing studies to better ascertain housing opportunities including expanding neighborhood revitalization and home ownership opportunities for both the CDA and the City.
- **East Washington Capitol Gateway Corridor:** The City of Madison's adopted 3-5 Year Strategic Economic Development Implementation Plan identified the Capitol Gateway Corridor as a location where a coordinated revitalization effort is highlighted. The CDA is specifically mentioned as an organization to help in this effort. In 2010, the CDA will explore how it may be able to assist in the revitalization of this important employment corridor.

HOUSING OPERATIONS

Assisted Housing

- **Housing Choice Voucher Program (Section 8):** The CDA is currently authorized to issue 1606 vouchers. However, federally-mandated programmatic and budgetary changes continue to bring this number down. The CDA will monitor expenditures closely to maximize budgetary authority yet stay within the program budget. The CDA will continue efforts to disperse voucher utilization throughout the City. It is estimated that the CDA will issue 1450 Vouchers in 2010.
- **Public Housing:** Continue the leasing and management of 882 Housing units at 40 locations located throughout the city.
- **Multi-Family Service Coordination Programs:** Housing Operations continues to solicit and coordinate service delivery on behalf of the elderly and disabled residents at the Triangle Site to help them continue to live independently. It continues to contract with the Mental Health Center of Dane County to assist in this effort
- **Section 8 Homeownership Program:** Housing Operations will continue to assist qualified Housing Choice Voucher (Section 8) program participants in home purchasing. There have been 20 voucher holders who have purchased housing under this program since its inception in 2005.
- **Project-Based Voucher Program (PBV):** The CDA will also continue administration of this program and examine strategies or opportunities to determine whether to expand. The CDA has partnered with 5 local not for profit agencies and issued 48 PBV's to assist them in their efforts to house low-income families. The CDA issued 36 more Vouchers in 2009 to Revival Ridge Apartments as part of the continued redevelopment and revitalization of the Allied Drive neighborhood.
- **Family Self-Sufficiency:** Housing Operations will continue efforts in the development of a Family Self Sufficiency Program and the potential for funding. The CDA, the Dane County Housing Authority (DCHA), the United Way of Dane County, and the Community Action Coalition (CAC) have been working together to plan, fund and implement this effort for Housing Choice Voucher (Section 8) program participants. A program plan was submitted to HUD and is pending approval; implementation should begin before the end of 2010. United Way provided funding to CAC to work with CDA at Allied; this is a continuation of that partnership effort. Once implemented, funding from HUD may become available for program staff.
- **Section 3:** This HUD requirement outlines that housing authorizes make efforts to hire and utilize housing authority residents and resident businesses. The CDA has sponsored job fairs and job trainings to inform and prepare residents for job opportunities related to work contracted by the CDA.

SPECIAL INITIATIVES

- **Special Vouchers Programs Allocations:** HUD has made special allocations of Vouchers through the Family Unification Program and Veterans Assistance Program. The CDA applied and received voucher funding under these programs. The CDA will continue to administer and apply for additional funding should it become available.