



City of Madison

City of Madison
Madison, WI 53703
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Master

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File Type: Resolution

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Business

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Reference:

Controlling Body: Council Office

Requester: ALLIED AREA TASK
FORCE

Cost:

Introduced: 01/12/2007

File Name: SECOND SUBSTITUTE - Adopting an Affordable
Housing Plan for the Allied Drive area.

Final Action:

Title: SECOND SUBSTITUTE - Adopting an Affordable Housing Plan for the Allied Drive area.

Notes: Intro from the floor

Code Sections:

Agenda Date: 07/17/2007

Indexes:

Agenda Number: 99.

Sponsors: Brian L. Solomon

Enactment Date:

Attachments: Resident Allied Vision 8-16-06.pdf, Allied City-Owned
Property Problem Criteria Statements v4....pdf,
05427CommentRevised.pdf, 05427sub.pdf,
05427.pdf, Allied Area Task Force
Recommendations.pdf, Task Force RFP
Recommendations (version 4) approved by TF
5-24-07_REVISED.pdf

Enactment Number:

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Council Office	01/12/2007	Fiscal Note Required / Approval	Comptroller's Office/Approval Group		07/17/2007	
1	Comptroller's Office/Approval Group <i>Notes: Bohrod</i>	01/12/2007	Fiscal Note Pending	Council Office		01/12/2007	
1	Council Office <i>Notes: Allied Area Task Force, Comptroller (fiscal note)</i>	01/16/2007	Refer for Introduction				
1	COMMON COUNCIL <i>Notes: Additional Referral(s): Housing Committee</i>	01/16/2007	Refer	ALLIED AREA TASK FORCE		06/28/2007	Pass
1	ALLIED AREA TASK FORCE	01/16/2007	Refer	HOUSING COMMITTEE			
1	COMMON COUNCIL <i>Notes: Return to Housing Committee</i>	01/18/2007	Fiscal Note Required / Approval	Comptroller's Office/Approval Group	01/31/2007	07/17/2007	

1	HOUSING COMMITTEE	03/07/2007	Return to Lead with the Following Recommendation(s)	ALLIED AREA TASK FORCE	06/28/2007	Pass
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Verbose Action: The Affordable Housing Subcommittee's recommendations with item 13 re-worded as "At least 50% of the owner-occupied housing shall be affordable to households at a maximum of 70% AMI" and the definition "Affordable shall mean: Rental households will not pay more than 30% of their gross income towards rent and the applicable HUD allowance for electrical power, space and hot water heating. Owner-occupied households will not pay more than 34% of their gross income towards mortgage, condo fees, property taxes, insurance including private mortgage insurance if applicable, and utilities including sewer and water charges, electrical power, space and hot water heating." [See attachment of 05427 CommentRevised.pdf under Legislative File 05427 in Legistar]

Hirsch noted the Affordable Housing Subcommittee looked at this resolution last month at the request of the Allied Drive Task Force. They made recommendations and were sent along to the Allied Drive Task Force in time for their February 22 meeting and they were included in the packet for tonight. Items 1-10 are background assumptions and generalized statements most of which were not included in Ald. Konkel's resolution. It was the subcommittee's feeling that these statements were all pertinent to setting numerical goals. Items 11-13 deal with how much will be ownership and how much rental. Also, what are we going to do with very low income people (below 30%). With reference to item 11, Ald. Konkel's resolution was drafted at 50% ownership housing or no less than 50%. The subcommittee would like to try to make the RFP specific kinds of comments (about City owned properties) and not give an opinion on what the broader neighborhood should be like. The phrase "of the housing units rehab'd or created by the City on the City-owned site" was added. Over time it may get more, but if a goal of 40% were started with this is what the subcommittee recommended. Setting a goal on the city-owned properties of 40% was pretty high. Merrill noted that another statement of Ald. Konkel that owner occupied should be for people of 30% of county medium income is very wishful thinking. 50% is tough, 30% maybe if there is Section 8 ownership. Hirsch noted that item 12 states rental housing being rehab'd or created by the City to be affordable to these very low income people. The subcommittee's notion was to set an absolute number in order to give the neighborhood some comfort that there was a real number being talked about. Merrill stated this addresses another kind of displacement, income displacement. Even if the family isn't there, the housing has been there for people with very low incomes. Hirsch noted that one definition of "affordable" was put forward for both rental and owner without distinction. He passed out a separation of that definition into rental and home ownership and suggested when the committee gets to action that the definition of affordability be amended. Hirsch proposed the following:

"Affordable shall mean: Rental households will not pay more than 30% of their gross income towards rent and the applicable HUD allowance for electrical power, space and hot water heating. Owner-occupied households will not pay more than 34% of their gross income towards mortgage, condo fees, property taxes, insurance including private mortgage insurance if applicable, and utilities including sewer and water charges, electrical power, space and hot water heating." Day asked why we are not letting the market drive that? Hirsch noted we are just setting a floor for the City to design their financing by. Day noted that the way item 13 is written, is it meant to say 70% or less of ami? This is confusing.

Excused: Villacrez, Brink, LeTourneau and King

Aye: Verveer, Day, Mandeville, Ejercito, Merrill, Wilcox, Hassel, Kerr and Sparer

Non Voting: Hirsch

2	Council Office	05/24/2007	Fiscal Note Required / Approval	Comptroller's Office/Approval Group	05/24/2007	07/17/2007
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Notes: Return to Allied Area Task Force.

2	Comptroller's Office/Approval Group	05/24/2007	Fiscal Note Pending	ALLIED AREA TASK FORCE	05/24/2007	
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Notes: Bohrod

3	ALLIED AREA TASK FORCE	06/28/2007	RECOMMEND TO COUNCIL TO ADOPT - REPORT OF OFFICER			Pass
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Notes: At the May meeting, the Task Force was presented a substitute resolution that included some of their recommendations for the redevelopment of the City owned property that Solomon worked on with Alder Konkel, the original author of the resolution. They did not take any action on it, but agreed to discuss further at the June meeting. Staff sent out a third version of the resolution with the agenda earlier in the week. After consultation with Konkel, Supervisor Bayrd, and staff in the Mayor's office,

Solomon drafted the current version of the substitute resolution that the Task Force members reviewed at this meeting. Solomon's substitute resolution calls for the adoption of the Allied Drive Task Force recommendations to the RFP process adopted at the May meeting that will guide the redevelopment of the City-owned properties. In addition to the Task Force recommendations, Solomon included some of his own recommendations related to green space, employment of residents in the constructing/rehabbing of buildings, setting up a process for updating the neighborhood plan, and finalizing a redevelopment implementation plan. Solomon offered the Task Force members the opportunity to vote to support the resolution, if they wished. Whether or not the Task Force voted on it, the resolution would go through the regular Council process in time to guide the RFP process.

Hayes made a motion to support Solomon's substitute resolution; Baryd seconded.

There was some discussion as to the implementation plan mentioned in the substitute resolution and the role of the Task Force. Wood questioned how the residents and other members of the Task Force would participate in the process of finalizing of the redevelopment implementation plan. Ragland suggested that the City create a technical advisory group for implementation, which could include a resident from Allied. He also questioned whether the Task Force should continue to meet on a regular basis since they had completed the recommendations for the RFP for the redevelopment of City property. Several members of the Task Force commented that completing the recommendations for guiding the RFP process was challenging and took a substantial amount of time, but the committee has issues other than redevelopment of the City-owned property that they would like to address. Bayrd pointed out that the Task Force was formed prior to the City's purchase of the property, and, as a group, they decided to focus on three areas: housing, safety and employment/training. Pellitteri recommended that the City consider having more than one resident on the technical advisory group, and she suggested that the technical group also include at least one representative from the Task Force. Co-chair Zimmerman suggested that the Task Force put the issue of the future of the Task Force and RFP technical advisory group on the July meeting agenda. He then called the vote on the Hayes/Bayrd motion.

Motion passed with Ragland abstaining.

Absent: Rusch
 Aye: Solomon, Bayrd, Green, Zimmerman, Wood, Jennings, Artis, Howard, Burns, Pellitteri, Hayes and Uselman
 Abstain: Ragland

3	Council Office	06/29/2007	Fiscal Note Required / Approval	Comptroller's Office/Approval Group	07/17/2007	
3	Comptroller's Office/Approval Group Notes: Knepp	07/02/2007	Fiscal Note Pending	ALLIED AREA TASK FORCE	07/02/2007	
3	COMMON COUNCIL Verbose Action: (substitute motion). Notes: Adopt at the 8/7/07 Common Council Meeting.	07/17/2007	Refer to a future Meeting to Adopt		08/07/2007	Pass
3	Comptroller's Office/Approval Group Notes: Brassier	07/17/2007	Approved Fiscal Note By The Comptroller's Office (SUBSTITUTES)	ALLIED AREA TASK FORCE	07/17/2007	

Text of Legislative File 05427

..Fiscal Note

This policy resolution does not create any expenditure authority and has no direct budgetary impact.

..Title

SECOND SUBSTITUTE - Adopting an Affordable Housing Plan for the Allied Drive area.

..Body

WHEREAS, on May 16, 2006, the City of Madison acquired a 129-unit apartment complex located at 2317-2333, 2345-2355 and 2409-2437 Allied Drive; and

~~WHEREAS, in September 2006, the American Institute of Architects (AIA) assisted the City of Madison in conducting a planning charrette for the aforementioned City properties; and~~

WHEREAS, the City of Madison adopted the Allied-Dunn's Marsh-Belmar Neighborhood Physical Improvement Plan for the Allied-Dunn's Marsh area; and

WHEREAS, the City of Madison also commissioned a housing study for the Allied-Dunn's Marsh area; and

WHEREAS, the Mayor's Office created "A Vision for the Allied Community" that ~~included increasing the calls for a mix of incomes in the neighborhood, opportunities for owner-occupied housing in the Allied area home ownership, and continuing to provide affordable housing in the Allied area so current residents can remain in the community increasing the quality of life of the neighborhood while avoiding displacement of residents; and~~

~~WHEREAS, the Allied Drive Task Force took into account the following documents and pieces of information when making these recommendations:~~

- ~~a) The three proposed designs developed by the AIA during the community design process;~~
- ~~b) City staff's Issue Statement & Proposed City Review Criteria;~~
- ~~c) Goals established by the Move Forward Not Out Coalition;~~
- ~~d) Comments from various City of Madison committees regarding the Mayor's Allied Vision and the three designs from the community design process;~~
- ~~e) Recommendations from the Housing Affordability Subcommittee; and~~
- ~~f) The original version of this resolution.~~

WHEREAS, the Allied Task Force was tasked with guiding the City in the redevelopment of this property; and

WHEREAS, the Allied Task Force completed its "Comments and Recommendations" document (Version 4) by unanimous approval on May 24, 2007; and

WHEREAS, the "Comments and Recommendations" document makes a series of recommendations regarding affordability and quality of housing on the City-owned properties;

NOW, THEREFORE, BE IT RESOLVED that the ~~City of Madison will minimize the relocation of residents from the Allied Drive area to the extent possible. This includes allowing new residents to move into City-owned properties, as appropriate~~ "Comments and Recommendations" on the RFP (Version 4), and the recommendations contained herein, is hereby adopted as the Allied Drive Task Force recommendations to the RFP process guiding the renovation and/or development of the City owned projects; ~~and-~~

~~BE IT FURTHER RESOLVED that owner-occupied housing shall not exceed 40% of the housing units rehabilitated or created by the City of Madison in the Allied Drive area.~~

~~BE IT FURTHER RESOLVED that the City of Madison will strive to ensure that 50% of all rental housing rehabilitated or created by the City of Madison in the area will be affordable to people making \$14,800 per year. "Affordable" means that they will not pay more than 30% of their income towards their rent and utilities.~~

~~BE IT FURTHER RESOLVED that the City of Madison will strive to ensure that at least 50% of the owner-occupied housing shall be affordable. "Affordable" means that owners will not pay more than 30% of their income towards mortgage, condo fees, taxes and insurance.~~

~~**BE IT FURTHER RESOLVED that the City sets a goal that all City-assisted new and rehabilitated rental and owner-occupied housing units be affordable at the following levels:**~~

- ~~a) 20% – 30% of the units are affordable to people at 0% – 30% of AMI.~~
- ~~b) 20% – 30% of the units are affordable to people at 30% – 50% of AMI.~~
- ~~c) 25% – 35% of the units are affordable to people at 50% – 80% of AMI.~~
- ~~d) 15% – 25% of the units are affordable to people at 80% and above of AMI.~~

~~"Affordable," as defined by HUD, means that renters will not pay more than 30% of their income towards their rent and utilities, and owners will not pay more than 30% of their incomes towards mortgage, condo fees, taxes and insurance.~~

~~**BE IT FURTHER RESOLVED that priority for City-assisted new and rehabilitated units would be given to current residents of City-owned property.**~~

~~**BE IT FURTHER RESOLVED that priority for City-assisted new and rehabilitated units would be given to current residents of the Allied Neighborhood.**~~

~~**BE IT FURTHER RESOLVED that in regard to the number, type and size of the City-assisted new and rehabilitated units:**~~

- ~~a) Any combination of building renovation and/or demolition and redevelopment shall achieve a minimum of 100 dwelling units on this site.~~
- ~~b) The number of three- and four-bedroom units on the City-owned property shall not be less than 60% of the units available. The number of three- and four-bedroom units in the remainder of the neighborhood should respond to market and neighborhood demand.~~
- ~~c) First floor units shall maximize accessibility under the Building Code.~~
- ~~d) The units should have market appeal and include such amenities and features as washers and dryers in the units and master bedrooms with baths and large closets.~~

~~**BE IT FURTHER RESOLVED that in regard to ownership vs. rental tenure for City-assisted new and rehabilitated units:**~~

- ~~a) In light of the affordability guidelines discussed at the beginning of this document, the goal is to dramatically increase the level of homeownership, emphasizing opportunities for neighborhood residents, particularly residents at lower median incomes, but also including homeownership opportunities at market rate. Rent-to-own strategies should be included in City-assisted projects.~~
- ~~b) The long term goal for the homeownership portion of the City-assisted redevelopment of the Allied neighborhood is to maximize the ownership opportunity for people between 30% and 80% of AMI and to permit ownership by people above 80% of AMI, as long as the level of ownership does not decrease the supply of rental housing for people at 30% or less of AMI.~~
- ~~c) The goal should be to maintain a level of affordable rental housing so as not to displace any current residents and so that new residents can enter the neighborhood.~~
- ~~d) The City should strive to provide a training program for new and potential homeowners, covering the responsibilities and opportunities associated with homeownership.~~
- ~~e) The City should strive to provide services to renters to ensure residents are not displaced and are successful in their current and future housing choices.~~
- ~~f) Increasing homeownership shall not result in the displacement (meaning moving out of, not within, the neighborhood) of current residents who reside in rental housing in the Allied neighborhood.~~

~~**BE IT FURTHER RESOLVED that in addition to the recommendations above, it is recommended that the following goals be incorporated into the plans for the City property:**~~

- ~~a) Developers should consider providing a variety of housing options including multi-generational housing, live-work units or units that allow in-home businesses and, potentially, some housing designed for the elderly. Modular or manufactured housing could be considered.~~

- ~~b) A variety of rent purchase options should be evaluated.~~
- ~~c) The development should orient buildings to relate better to existing and any proposed new streets and should seek to provide a more attractive, safe and pedestrian friendly environment.~~
- ~~d) The development should create shorter block lengths by providing additional street connections to and through the site where feasible.~~
- ~~e) Pedestrian and bicycle connections should be provided where streets are not possible. In particular, any future developer will need to work with the City to evaluate the feasibility and desirability of providing an additional north-south street, potentially in the greenway (through a portion of the site), and a street connecting Lovell Lane to Crescent Road, also through a portion of the greenway. At some point in the future, an east-west street, potentially connecting Pawnee Pass to Allied Drive in the vicinity of Lovell Lane, should also be considered.~~
- ~~f) Any future developer will need to work with the City to ensure that opportunities are provided for current site residents to remain within the neighborhood in affordable housing units so that residents in the Allied neighborhood are not forced to relocate from the neighborhood. Any future developer will need to work with the City to provide affordable temporary housing options for residents while construction proceeds.~~

~~BE IT FURTHER RESOLVED that the overall development should offer housing in a setting that contributes to an overall improvement in the livability of the neighborhood, with an adequate amount of attractive open space designed to provide opportunities for resident interactions and the potential for gardens.~~

~~BE IT FURTHER RESOLVED that in the event residents are relocated from the Allied Drive neighborhood through direct action of the City of Madison or precipitated by the City of Madison, relocation costs, including moving costs and security deposit assistance, shall be provided to the residents forced to relocate.~~

~~BE IT FURTHER RESOLVED that while the goal is to create a mixed-income neighborhood, the overall supply of affordable/low-income housing in the Allied Drive area will be increased maintained as a result of the redevelopment of the area.~~

~~BE IT FURTHER RESOLVED that the City of Madison will initiate a process to redevelop and/or renovate the City-owned properties in a manner that:~~

- ~~• Creates a mixture of owner occupied, rental, and perhaps co-operative housing.~~
- ~~• Ensures that the majority of developed units remain affordable for at least 20-25 years.~~
- ~~• Provides options for a range of incomes between 0% and 120% of AMI.~~
- ~~• Creates significant areas of green space (including space for community gardens and pocket parks).~~
- ~~• Contributes to an overall improvement in the livability of the neighborhood.~~
- ~~• Inspires residents and neighbors to care for and steward the properties and adjacent neighborhood.~~
- ~~• Promotes community based decision-making and participation.~~
- ~~• Creates a sustainable project by utilizing "Universal Design" and "Green Building" techniques.~~

~~BE IT FURTHER RESOLVED that the redevelopment project will acknowledge the direct impact on the Allied Drive neighborhood by ensuring that:~~

- ~~• The redevelopment project prioritize efforts to employ Allied residents in the reconstruction effort.~~
- ~~• The City of Madison will work with the Allied Neighborhood Association to update, finalize, and obtain approval of the Allied Neighborhood Plan.~~
- ~~• The redevelopment plan be based on one of the three visions (or some combination thereof) set out through the neighborhood charette process that took place in September, 2006.~~

~~BE IT FURTHER RESOLVED that the redevelopment project shall occur in stages so as to gauge impacts on residents and the neighborhood, with development of rental units being included in the~~

first stage.

BE IT FURTHER RESOLVED that the redevelopment project shall seek to include appropriate professional space for human service provision, entrepreneurship, or retail.

BE IT FINALLY RESOLVED that the ~~City of Madison will make all efforts to provide temporary housing options for residents to live in while reconstruction of City-owned or funded properties are reconstructed~~ Mayor will appoint a staff either within the Mayor's office or the Department of Planning and Community and Economic Development to serve as the sole point of contact for overall management of this initiative for a period of six months to ensure stakeholder involvement and finalize a redevelopment plan that includes timelines, milestones, objectives, and financial strategies for implementation.