

DRAFT 2008 WORK PLAN COMMUNITY DEVELOPMENT AUTHORITY OF THE CITY OF MADISON

Approved By the CDA on _____

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 2008. 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 2007.

The 2008 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) redevelopment initiatives in the Allied Drive Neighborhood, South Madison and downtown; (2) improvement of the housing stock and increased owner-occupancy in the Isthmus and West Broadway Redevelopment Areas; (3) spot blight removal in neighborhoods; and (4) increased housing choices for lower-income households. Listed below are the year 2008 priorities for the CDA's two functional areas.

COMMUNITY DEVELOPMENT

Redevelopment

- **Allied Drive Neighborhood:**

In May 2006, the City of Madison purchased 129 apartment units and now owns 145 units on approximately 11.5 acres of land on Allied Drive south of Jenewein Road in the City portion of the Allied neighborhood. In 2007, the CDA entered into discussions with the City regarding the CDA serving as master developer of the City-owned parcel on Allied Drive.

Pursuant to authority granted in RES-07-00847, RES-07-00926, and RES-07-01064, the CDA prepared and released Requests for Proposals and Requests for Qualifications and entered into contracts with consultants for site planning/architectural and cost estimating services, preparation of a housing market study, and provision of financial packaging and development consulting services for the City-owned property on Allied Drive.

On January 22, 2008, the Madison Common Council approved File No.08380, designating the Community Development Authority (CDA) the Master Developer of the site and agreeing to enter into a Cooperation and Development Agreement. The first element will be the submission of an application for Low-Income Housing Tax Credits from WHEDA, under which the CDA expects to develop and build 48 rental units on the northern one-third of the property (approximately three acres) which will be owned and

managed by the CDA, or subsidiary Limited Liability Corporation (LLC). The CDA will also issue RFPs for development proposals on the balance of the site (approximately 8.5 acres) for a mixture of rental, rent-to-own and owner-occupied housing units.

- **Badger-Ann-Park Street Redevelopment District Committee:** The CDA acquired the Villager in December 2004, using New Market Tax Credits to finance the acquisition. Since then, the CDA has retained Siegel-Gallagher for day-to-day management and leasing services.

In 2005/2006 a Master Plan for the site was prepared by Kubala Washatko Architects/Vandewalle Associates/Strand Engineering to prepare a long-term vision for the site. Following an extensive public participation process, the Common Council adopted the Master Plan in early 2006.

In 2007 a revised master planning process was undertaken, designed to build upon the adopted 2006 plan as opportunities have occurred and additional user groups have expressed a desire to locate at The Villager. To help in moving the process forward, the City initiated a contract with Forward Community Investments and Strang/Schreiber/Anderson Associates/Findorff to manager client outreach and revising the Master Plan. That work was largely completed in 2007.

The 2008 City of Madison budget provides financial support for three significant initiatives:

1. Atrium improvements, including accessibility components.
2. New South Madison Public Library.
3. Acquisition/demolition of gas stations abutting The Villager (to be done by the City).

A number of activities will need to occur in order for all of this to be underway in 2008. Architects/engineers will need to be hired, continuing community and agency outreach will continue and sale/lease negotiations and land divisions will all take place to support this critical initiative for South Madison.

- **American Exchange Bank Redevelopment District:** The CDA is expected to create a redevelopment district in the Block 101 of North Pinckney Street (American Exchange Bank) to facilitate a proposed mixed-use redevelopment project. The district will authorize the CDA to acquire by negotiation or condemnation properties required for the project. Upon creation of the redevelopment district the CDA will adopt a relocation order and issue an RFP for the proposed development. A development agreement will be executed between the CDA and the developer that will indemnify the CDA for its acquisition costs. Included within the redevelopment project is an underground parking ramp, which would be financed with Taxable Revenue Bonds, issued by the CDA.

Neighborhood Revitalization

- **Madison Capital Revolving Fund:** The 2008 Capital Budget includes an authorization of \$1,000,000 for the Capital Revolving Fund and \$125,000 for the Façade Improvement Grant Program. The CDA will pursue pending projects and other development proposals generated during the year, as long as funds are available. In 2008, the CDA will continue to administer the Façade Improvement Grant Program, including conducting direct mailings and presentations to business associations and others interested in the program in targeted areas.
- **Lake Point Condominium Property:** In 2007, construction was completed for the twenty-six (26) new condominiums and the renovation and conversion of the adjoining twenty-four (24) unit apartments to condominiums on Lake Point Drive. The developer completed the work required to bring the remaining unsold units to a white box stage, with all dry wall, finish carpentry and painting complete. The installation of final buyer finish selections, which are flooring, cabinets, counter tops and appliances, will be done when an accepted offer is received.

To date, 16 units have been sold. In December 2007, the CDA approved a request from the developer for the CDA to extend the maturity date of the \$2.0 million Fannie Mae construction loan to December 31, 2008. It is anticipated that the 14 remaining new units will be sold and the loan will be paid in full in 2008.

- **West Broadway Neighborhood:** In June 2007, the Common Council approved a special 10-year deferred loan program to assist owners of properties on Lake Point Drive between Hoboken Road and Weber Drive in the West Broadway Redevelopment Area to enhance the visual and exterior appeal of their residential properties. The CDA contacted and distributed program information to all the owners in the project area. The CDA will continue to administer this program with a goal of completing and closing it out at the end of 2008.

Housing Finance and Rehabilitation

- **Residential Rehabilitation and Home Purchase Assistance Programs:** CDA will continue to administer the Deferred Payment, Installment, Homebuyers Assistance, Rental Rehabilitation, and Home-Buy Down Payment Assistance Loan Programs. The CDA will continue to market these programs among owners, landlords, local lenders, buyers, realtors and affordable housing developers. It is anticipated that the CDA will receive 2008 Federal HOME Program funds for rehabilitation activities and State Department of Commerce funds for down payment assistance.
- **Home Buyer Fair:** The CDA co-sponsored the successful Annual Home Buyer Fair in 2007 and will continue to co-sponsor and promote the Fair in 2008.
- **Rental Housing Revenue Bond Program:** The CDA will continue to issue tax-exempt rental housing bonds, as requests are submitted, which meet the CDA's criteria.

- **Affordable Housing Projects:** In 2008, 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, and will be exploring the possibility of using a portions of these funds in the Allied Drive redevelopment. If the Allied Drive Redevelopment advances, the CDA will develop and administer affordable rental and ownership housing initiatives using funds generated from the developer fee and land sales.
- **Peripheral Land Development:** The CDA will continue to pursue funding in collaboration with the City of Madison in the Capital Budget of 2005-2009 to fund 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).
- **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.

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 Voucher utilization yet stay within the program budget. The federal government has not authorized any new Vouchers for several years. It is not likely that any new Vouchers allocation will become available in the near future. The CDA will continue efforts to disperse Voucher utilization throughout the City.
- **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 purchases.
- **Project-Based Voucher Program:** The CDA will continue administration of this program and examine strategies or opportunities to determine whether to expand.
- **Housing Counseling Program:** Housing Operations is a designated Housing Counseling Agency. Though it no longer receives Housing Counseling Program funding it continues to counsel Low-Rent Public Housing Residents and Housing Choice Voucher (Section 8) program applicants in applying for assistance and program participants in retaining their assistance.

SPECIAL INITIATIVES

Long-Range Planning

- **Long-Range Planning Subcommittee:** The CDA has established a long-range planning initiative that will examine the CDA's existing stock of properties. The Triangle, Romnes and Truax were examined. Truax was selected as the Site for further examination. A redevelopment plan is underway with potential financing to be explored in 2008. Other site redevelopment plans may also be pursued as opportunities arise. A process, similar to the Truax Master Plan, will begin in 2008, examining the Triangle.
- **Low Rent Public Housing Homeownership Program:** The CDA will explore the option of creating this program which allows for the buying and selling of properties for purchase by low-income residents under the Public Housing Program. Program guidelines would need to be developed and approved by HUD prior to implementation. Program guidelines would be developed through a community input process.
- **Planning for Reuse of the Surplus Truman Olson Army ROTC Facility:** On May 15, 2007, the Common Council designated the CDA to serve as the Local Redevelopment Authority (LRA) for the reuse of the surplus Truman Olson Army ROTC facility at 1402 S. Park Street. In accordance with Federal requirements, notice was published requesting Notices of Interest (NOI) from eligible homeless assistance providers, and other eligible entities. The deadline for NOI submission was December 14, 2007, and the City has received four (4) NOIs. In 2008, the CDA, acting as LRA, will work with the Army, U.S. Department of Housing and Urban Development (HUD), and organizations who submitted an NOI to determine the most appropriate reuse of the property. Per Federal requirements, the CDA must provide a recommendation to the Army and HUD by September 14, 2008.