



City of Madison

Meeting Minutes - Final

HOUSING COMMITTEE

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

Wednesday, March 7, 2007

5:00 PM

215 Martin Luther King, Jr. Blvd.
Room LL-110 (Madison Municipal Building)

1. CALL TO ORDER

The meeting was called to order at 5:05 p.m. by Chair Hirsch.

2. ROLL CALL

Present: Susan K. Day, Howard Mandeville, Philip P. Ejercito, Thomas E. Hirsch, John L. Merrill, Judith M. Wilcox, Curtis V. Brink, Detria D. Hassel and David R. Sparer

Excused: Michael E. Verveer, Victor E. Villacrez, Rose M. LeTourneau, Julia S. Kerr and Austin W. King

3. APPROVAL OF MINUTES

Merrill moved approval of the minutes, second by Ejercito. Sparer noted on File ID 04842 it was not listed who made the motion. After looking back on last month's notes, it was noted that King made the motion. This will be amended. The amended minutes were unanimously approved.

4. NEW BUSINESS ITEMS - PART 1

- *Welcome New Member - Susan Day*

Susan was welcomed to the Housing Committee. She works at Anchor Bank and is their affordable housing coordinator.

- *Election of Officers for 2007*

Merrill nominated Tom Hirsch to be chair, second by Brink. There were no other nominations. Hirsch was unanimously elected.

Wilcox nominated John Merrill to be vice-chair, second by Sparer. There were no other nominations. Merrill was unanimously elected.

- *Report from Subcommittees on Election of Officers for 2007*

Brink noted that he was elected chair with Howard Mandeville elected as vice-chair.

Ejercito noted that he was elected chair and Curtis Brink was elected vice-chair.

- *Resolution Commending Richard B. Arnesen for Committee Service*

Brink moved recommendation to the Common Council to approve the resolution, second by Sparer. A voice vote was taken but it was later noted during the meeting by Verveer that this had already gone to the Common Council and approved.

- *Subcommittee Sign-Up*

Hirsch noted there is a box chart being circulated for subcommittee sign-up. These are calendar-year sign-ups. We are in need of refreshing the registers so that quorum can be accurately counted. Please indicate your preference. For those members not in attendance, an E-Mail will be sent to those requesting their preference. Ann Blackdeer will be notified of the members of the Affordable Housing Subcommittee.

Steve Brist introduced Doran Viste, Asst. City Attorney who will be supporting the Housing Committee beginning next month.

Present: Susan K. Day, Howard Mandeville, Philip P. Ejercito, Thomas E. Hirsch, John L. Merrill, Judith M. Wilcox, Curtis V. Brink, Detria D. Hassel, Julia S. Kerr and David R. Sparer

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5. PUBLIC COMMENT

No appearances.

6. COMMON COUNCIL ACTIONS - Verveer/King

NOTE: This item was taken up after Item No. 7 Presentation by Stu Levitan.

Verveer noted that the resolution commending Rich Arnesen was adopted by the Common Council unanimously.

The Neighborhood Conservation District proposal was defeated by the Common Council a few months ago and there was a motion for reconsideration that lost by 1 vote, and now the sponsors have re-introduced it and referred it back to the Plan Commission. The controversy settles around how to create these overlay districts.

The light bulb ordinance proposal has been referred to the Board of Building Code, Fire and Licensing Appeals, not to this committee.

7. PRESENTATION

- CDA - Stuart Levitan

Hirsch introduced Stu Levitan, chair of the CDA, to talk about the role of the CDA in housing in our community and to talk about the holdings they now have, how they manage them, Section 8 and what he sees as a potential for the CDA to be a participant in new affordable housing development.

Levitan gave some information on Monona Shores. There has been a significant turn-around in that neighborhood. There is creation of affordable housing at Monona Shores, condominiums on the lake as Waunona Woods, and a more recent development underway which is Lake Point condominiums. For all the success in turning around this neighborhood, they are finding that there is an unacceptably high vacancy rate in Monona Shores. This is very perplexing to the CDA. On Allied Drive, the CDA was involved in the creation of the re-development district. He noted that people talk about 50% of the units as owner occupied on Allied Drive but he doesn't see that happening based on experience on Lake Point. The situation in Allied Drive is so fragile that there is "Section 8 flight". People with Section 8 vouchers are choosing to leave the neighborhood and live someplace else. Last month there were 20 Section 8 vouchers released to Prairie Crossing (the Project Home project across Allied Drive).

Levitan noted that the waiting list for Section 8 will be re-opening but their intent is not to do as first come-first serve but have a mail return date and distribute them by lottery based on preferences. Wilcox asked if the CDA were working with the Dane County Housing Authority as they were in the position of having slots available as well. It would be good if it were done at the same as there are a lot of people who are on both lists. There are more properties in Allied that are either in receivership or foreclosure or about to come up so there is more to happen. That is more opportunities for the CDA.

The CDA, in addition to managing the Section 8 program, also owns and operates low rent housing. These units also house people either elderly or handicapped, handicapped being both physical and mental. A long range planning committee was created with the driving force behind it of Andy Heidt. The existing properties have been inventoried determining where they would have an opportunity to build new housing. Their first priority will be Truax. With the East Madison Community Center and MATC in the neighborhood, this area would be good for marketing but also provide some

additional linkages with the Community Center and other training and education endeavors. The next proposal probably would be the Romnes apartments on Lakeside Street. This site has a large sloping lawn that is substantially under utilized. There could be at the least one-half dozen row houses built on Lakeside Street. There is another concept starting with Meriter Hospital. They have an eye on expansion and the CDA sold a duplex on Brooks Street to Meriter so they can expand south. Meriter doesn't want to move west but would like to move east across Park Street into the triangle which Karabis now occupies. CDA may be able to work a deal with Meriter Hospital to trade the land of Karabis for Longfellow School. If the CDA could obtain Longfellow School and the land behind it, then they would have a seriously exciting opportunity. This is in a TIF district.

There is substantially under utilized parkland behind the Beltline off Whitney Way. The CDA is aggressively looking at development options starting with land the CDA owns and looking at other public land.

Section 504 (handicap accessibility) - This was been implemented 10 years ago but no one can seem to find the plan. More than 5% of the CDA units are accessible and are evenly distributed west, east and triangle. Wilcox noted that there are 14 units in the Reservoir that are handicap accessible and 4 are completely barrier free.

Present: Michael E. Verveer, Susan K. Day, Howard Mandeville, Philip P. Ejercito, Thomas E. Hirsch, John L. Merrill, Judith M. Wilcox, Detria D. Hassel, Julia S. Kerr and David R. Sparer

Excused: Victor E. Villacrez, Curtis V. Brink, Rose M. LeTourneau and Austin W. King

Hirsch asked that this subject be put on the Affordable Housing Subcommittee for its next meeting. Hirsch stated that if Levitan would like the committee to look at the Long Range Plan, we would be happy to. Hirsch also suggested to Ejercito that the Landlord & Tenant Issues Subcommittee put the Section 8 waiting list management issue on their agenda for discussion.

8. NEW BUSINESS ITEMS - PART 2

05427

Adopting an Affordable Housing Plan for the Allied Drive area.

Sponsors: Brenda K. Konkell

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. Konkell'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. Konkell'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. Konkell 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.

A motion was made by Sparer, seconded by Hassel, to Return to Lead with the Following Recommendation(s) to the ALLIED AREA TASK FORCE 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] The motion passed by the following vote:

Excused: Villacrez, Brink, LeTourneau and King

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

Non Voting: Hirsch

- Proposed State Housing Trust Fund

Hirsch stated he received an E-Mail from Bill Perkins, Executive Director of The Wisconsin Partnership for Housing Development, Inc. There is an attempt once again in the State Legislature and the budget process to try and get something to happen so that funds would be available for housing assistance. The State has a constitutional amendment under the internal improvements clause that they can not use State GPR dollars for housing. People get creative and they look for other sources of money that are not GPR money in order to put away and segregate in other kind of funds. This is an attempt to use transfer tax on real estate transactions. Wilcox would like someone from staff to pull together the pieces of the Governor's budget and put together a framework and give it to the Affordable Housing Subcommittee to look at it and come back with recommendations. Wilcox moved referral to the Affordable Housing Subcommittee, second by Merrill with unanimous approval.

- Standardized Applications for Housing Development Assistance

Merrill moved referral to the Affordable Housing Subcommittee, second by Verveer with unanimous approval.

- Review and approval of Tenant and Landlord Rights & Responsibilities Pamphlet - revised

Wilcox moved approval, second by Ejercito. Sparer noted correction on the address on

the Police Department. Verveer also noted that the Clerk of Courts should be Dane County Courthouse not City-County Building. Sparer moved approval, second by Verveer with the noted corrections. Unanimous approval.

Quorum was lost at this time.

9. OLD BUSINESS

Quorum lost - did not discuss.

10. REPORT OF SUBCOMMITTEES

Quorum lost - did not discuss.

11. DISCUSSION ON FUTURE AGENDA ITEMS - SCHEDULE NEXT MEETING

Quorum lost - did not discuss.

12. ADJOURNMENT

The meeting adjourned at 7:00 p.m. by motion of Merrill, second by Sparer.