



City of Madison

City of Madison
Madison, WI 53703
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Meeting Minutes - Approved COMMUNITY DEVELOPMENT AUTHORITY

Thursday, February 13, 2014

4:30 PM

215 Martin Luther King, Jr. Blvd.
Room 260 (Madison Municipal Building)

SCHEDULED MEETINGS:

CDA Special Meeting: Thurs., March 27, 4:30pm, 313 MMB
Community Development Subcommittee: Thurs., March 6, Noon, 313 MMB
Housing Operations Subcommittee: Mon., March 10, 4:30pm, 120 MMB
Allied Development Subcommittee: Tues., March 11, Noon, 313 MMB
CDA Regular Meeting: Thurs., March 13, 4:30pm, 260 MMB

CALL TO ORDER / ROLL CALL

Staff Present: Tom Conrad, Natalie Erdman, Terri Goldbin, Agustin Olvera,
Nancy Prusaitis, Linette Rhodes, Dan Rolfs, Matthew Wachter

Chair Thompson-Frater called the meeting to order at 4:31 p.m.

Present: 6 -

Sue Ellingson; Daniel G. Guerra, Jr.; Lauren K. Lofton; Sariah J. Daine;
Dean Brasser and Kelly A. Thompson-Frater

Excused: 1 -

Paul E. Skidmore

1 APPROVAL OF MINUTES: January 9 and January 23, 2014

Thompson-Frater noted one change for the minutes of the meeting of January 23, 2014. It should be noted that we agreed to the "option to purchase the property" instead of agreeing to purchase the property.

The Minutes were approved, with the above change, by voice vote.

2 PUBLIC COMMENT

None

3 DISCLOSURES AND RECUSALS

None

#5 was moved to later in the agenda as it is a public hearing item to start at 5:00 p.m.

4 [32700](#) COMMUNICATIONS

PRESENTATION OF CONSENT AGENDA: Includes Items 7B, 7C, 7D, 7E, 8, 8A, 9 and 10A

A motion was made by Guerra, Jr., seconded by Lofton, to Adopt the Consent Agenda. The motion passed by voice vote.

6 UPDATE ON PERMANENT SUPPORTED HOUSING, AKA SRO

Erdman provided the update on Permanent Supportive Housing. She said that Heartland Housing turned in the tax credit application on January 31. Only three developments applied. Looks promising. Public meeting a week ago Monday with the neighborhood. Council took up Resolution to approve Heartland Housing as developer and management service provider. Council approved that selection. Heartland will meet with the neighborhood in early March.

Daine asked how the neighborhood meeting went. Erdman said the immediate neighbors expressed concerns over who would live in the Rethke property, what kind of services available, what types of things would they have to do during the day, concerns about parking, concerns about behavior, general feeling that this might not be an appropriate location.

Brenda Konkel testified in support of the housing at the Council meeting.

Guerra asked about Ald. Ahrens. Erdman said he is not actively supportive. Heartland will need a conditional use. Have let them know about the concerns.

Thompson-Frater said this is a year-long process. Not an overnight sort of thing.

7 [29695](#) HOUSING OPERATIONS SUBCOMMITTEE REPORT

7A [17719](#) Housing Operations Monthly Report

Agustin Olver and Tom Conrad appeared to provide the Housing Operations monthly report.

- Olvera said there are mainly routine items.
- Occupancy is 97.6%. Exciting news about Veterans vouchers. One thousand vouchers will be issued nationwide. We are in a good position to ask for an allotment. They must be specifically tied to a project. We are in that position with the Rethke project. Working with VA to put in an application. Conrad said the application is due at the end of May. The VA is excited about it as well.
- Submitted the Section 8 Management Assessment Program Report. Series of questions that the Housing Authority is required to answer. Quality control to make sure we're doing everything appropriately.

7B [33026](#) CDA Resolution No. 4064 - Authorizing the submission of the Section 8 Management Assessment Program (SEMAP) Certification, for the year ending December 31, 2013.

A motion was made by Guerra, Jr., seconded by Lofton, to Approve. The motion passed by voice vote.

7C [33027](#) CDA Resolution No. 4065 - Authorizing the signing of a contract for Romnes Apartments - Parking Lot Lighting Improvements

A motion was made by Guerra, Jr., seconded by Lofton, to Approve. The motion passed by voice vote.

7D [33028](#) CDA Resolution No. 4066 - Authorizing the signing of a contract for Brittingham Apartments - Parking Lot Repave - 2014

A motion was made by Guerra, Jr., seconded by Lofton, to Approve. The motion passed by voice vote.

7E [33029](#) CDA Resolution No. 4067 - Authorizing the signing of a contract for Britta Apartments - Window Replacements

A motion was made by Guerra, Jr., seconded by Lofton, to Approve. The motion passed by voice vote.

8 [32701](#) ECONOMIC DEVELOPMENT STATUS REPORT

A motion was made by Guerra, Jr., seconded by Lofton, to Approve. The motion passed by voice vote.

8A [33025](#) CDA Resolution No. 4069, consideration of a request from the Home Buyers Round Table of Dane County (HBRT) for a contribution of \$1,000 from the CDA to be a major co-sponsor with the City of the Home Buyers Round Table in 2014.

A motion was made by Guerra, Jr., seconded by Lofton, to Approve. The motion passed by voice vote.

8B [32439](#) CDA Resolution No. 4070, approving the amended Home-Buy the American Dream Underwriting Guidelines Handbook.

Erdman said the City has two home buying assistance programs, one is the American Dream run by the Community Development Division, the other Home-Buy, run by the Economic Development Division. They are similar

programs for people purchasing homes. The two programs have different funding sources. The City wishes to merge those two programs into one program, called "Home Buy the American Dream." The CDA is asked to oversee the criteria for the Home Buy Program. CDBG oversees the criteria for the American Dream program. This is about being more efficient and clear to the consumer.

Lynette Rhodes and Terri Goldbin appeared to answer questions.

Guerra asked if it this makes it easier for potential recipients to go through the process. Rhodes said we will use the same forms, same checklists. No more difficult for consumers. Over 70% of the people get both loans anyway. City staff duplicating their time in separate departments. This will streamline the process of understanding the program. CDBG writes the grants and the application and does financial reporting to the State. CDBG will continue to do the reporting. Terri Goldbin will continue her part working with applicants and loan underwriting.

A motion was made by Guerra, Jr., seconded by Brassler, to Approve. The motion passed by voice vote.

9 [32702](#)

ALLIED DEVELOPMENT SUBCOMMITTEE REPORT

A motion was made by Guerra, Jr., seconded by Lofton, to Accept. The motion passed by voice vote.

10 [32706](#)

COMMUNITY DEVELOPMENT SUBCOMMITTEE REPORT

10A [33014](#)

CDA Resolution No. 4068, approving the amendment to the management agreement with Meridian Group, Inc. for the management of the properties located at 612-632 East Dayton Street and 601 South Baldwin Street (aka CDA 95-1).

A motion was made by Guerra, Jr., seconded by Lofton, to Approve. The motion passed by voice vote.

10B [31642](#)

Prioritizing Redevelopment of Public Housing Sites

(See attached memo & from Natalie Erdman). Erdman said the Community Development Subcommittee met four times on this. Continue to serve the most people that we have funding to serve. Two buildings in the Triangle are older and have the greatest capital needs. Parkside has WHEDA debt and will expire (paid in full) in 2016. Reserves that WHEDA keeps until debt is paid. Staff recommends that we look at Triangle next. Putting together a team to plan, think about it, gather more info and take in information from stakeholders, including residents.

Thompson-Frater said the recommendation was based on staff capacity as well.

Ellingson asked when they expect to have a staff team. Erdman said over the next 30 days, a greater City staff team, outline process for CDA to look at for next meeting. Ellingson asked who do you see being on the staff team. Erdman said it's subject to discussions with the head of the department. Similar to neighborhood guidance teams - Engineering, Community Development Division, Planning, Traffic Engineering, outside folks, land use planner. Ellingson said a facilitator will be needed. This is a pretty extensive neighborhood process. She asked about the timeline. Erdman said she will come back with process and contributors. Ellingson suggested talking with Bill Fruhling about EPA. Ellingson asked if we plan on removing Karabis and starting over: Erdman said we would probably create some replacement housing on the site and move people to that and then take down Karabis.

Thompson-Frater said maybe something at Romnes could be built that would handle people.

Ellingson asked if the reserves at Parkside can that be used at Karabis. Erdman said no, but could be used to upgrade Parkside. Could talk to WHEDA about it. Ellingson asked if she had any thoughts on cost. Erdman said we can use affordable housing tax credits; 20% has to come from subsidy. Ellingson asked if Soglin is aware of moving forward on this. Erdman said he is.

A motion was made by Guerra, seconded by Ellingson, supporting the prioritization of the CDA's real estate portfolio starting with the Triangle. The motion passed by voice vote.

5 [33013](#)

CDA Resolution No. 4060, approving the Park/Drake Redevelopment Plan and Boundaries.

Dan Rolfs appeared to answer questions. Rolfs said it is a statutory requirement before creating a Small Cap TIF Program to prepare redevelopment plans and to designate the boundaries of redevelopment areas. The goal is to increase the number of owner-occupied homes in this neighborhood. The City would buy from willing sellers of multi-family dwellings and convert them back to single-family homes and sell them. One requirement is 50% of the area must be blighted. Broad term from deterioration of building to police calls in the area, land use, adopted and comprehensive neighborhood plans, condition of infrastructure. No impact on person's ability to buy, sell or lease the property as is already allowed. No impact on someone's taxes. Plan attached. Consistent with going back to the late 80s and up into the mid 2000s - plans have been calling for this to occur. Mix of single-family and multi-unit dwelling units, a few institutional uses. Finding of blight - 51.6% of parcels were found to be blighted. We don't anticipate zoning and land use to change very much. Not a lot of redevelopment as the result of this plan. Page 13 - No intent by the CDA to utilize the powers of eminent domain. Solely to allow this Small Cap TIF program to move forward. If the CDA passes this resolution, it will be introduced to Council on February 25 and referred to the Plan Commission for review, with final action by the Council on March 18.

Daine asked about eminent domain. Rolfs said in order to use eminent domain, the CDA would have to amend the plan. CDA would also have to adopt a relocation plan if that were to happen. Would require a public hearing.

Ellingson said this is intimidating, but the end result is going to be good. It's more intimidating than it ought to be.

Daine asked about project financing/relocation cost. Rolfs said under the current program, K1 on pg 13, it's basically boiler plate language. The CDA will follow the law as it allows to relocation of people should that come into play. If we acquire property, tenants will be allowed to stay until the end of their lease.

Rebecca Anderson, Langdon Street, appeared and registered in opposition. She asked what happens if people have a blighted property and they want to redevelop it. Are there restrictions? Erdman said you have the same rights as you have now. Ellingson said all of this area is zoned for single-family homes. Ms. Anderson said she owns 1204 Drake Street, which has three units in the main house and a little tiny house in back. She doesn't want to see this tying the hands of people who have rental property in the area.

Matt Wachter said after the district is created, programs will be available to improve properties. The district will stay open for a number of years. Rolfs said the district itself is intended to close in 10 years.

Jeff Collman, South Brooks Street, appeared. Mr. Collman said he owns one property in the area and is thinking of moving into the house. He wanted to know if there will be programs available for him to make improvements to his home. Erdman said programs would have one track for someone who wants to do it on their own, subsidy for that to be converted back to a single-family house. The other is for the CDA to partner with entities that want to purchase a single-family home that is now occupied by renters, convert it back to a single-family home and sell it to someone else. More details will be available in the spring.

Dustin LaRue, appeared. Mr. LaRue said he owns a four unit. He asked if funding would be available for someone that wants to keep it as a four-unit. Erdman said the program has not been discussed for multi-family. The City does have another program for that. Mr. LaRue asked how this ties in with the big developments by Meriter. Ellingson said a TIF district needs a generator, big new construction to provide money for the purpose of the TIF district. Those big new apartment buildings are providing the money to fund this.

Mark Chullino, Vilas Avenue, appeared. Mr. Chullino asked if they are looking at a certain percentage to be purchased by this program. Rolfs said in order to make the program work, we have to have a redevelopment district in place. More than 50% have to be defined as blighted. Erdman said the property does not have to be blighted to be eligible, just has to be in the

district.

Dan Hildebrand, Glen Hollow Road, appeared. Mr. Hildebrand said he rents out a property to students. What's to keep the new owner from turning it back into a rental in a few years? Rolfs said they will be deed restrictions. Still working through the program. Mr. Hildebrand said this is a very competitive area. Someone made an offer recently. Concerned about CDA low balling people. Are we going to be competing against other individuals/landlords? CDA is fixing them up and selling them at a lower price. How can he compete against that?

Brasser said if this program works, there will be fewer rental properties in the area and this could be a good thing for him.

Thompson-Frater closed the public hearing portion of the meeting.

A motion was made by Ellingson, seconded by Guerra, Jr., to Approve. The motion passed by voice vote.

12 [29696](#)

BUSINESS BY COMMISSIONERS

Thompson-Frater said in June, some changes will be proposed for the Subcommittees. We would like to establish a new Subcommittee, Finance Committee that meets quarterly. Audits, numbers - Don't always give it the attention it needs. Erdman said we will need to change our By-Laws. Primarily concerned with CDA audit, which is complicated and confusing. Continue to create LLCs for tax credits.

Allied will probably just be architectural design review - won't meet regularly. May dissolve. Targeting changes in June.

Present: 4 -

Lauren K. Lofton; Sariah J. Daine; Dean Brasser and Kelly A. Thompson-Frater

Excused: 3 -

Sue Ellingson; Paul E. Skidmore and Daniel G. Guerra, Jr.

11 [32670](#)

Accepting the Interim Report: "Demographic Change and the City of Madison: Findings of the Common Council Legislative Agenda Work Group on Demographic Change and Recommendations for Action" and approving a plan for implementing recommendations therein.

Heather Allen appeared to give a presentation in the report: Demographic Change and the City of Madison, a report (see attached) which involved four alders and an ad hoc committee

- Alternative Revenue
- Demographic Change
- How do we adapt?
- Connecting Youth (especially youth of color)
- Attracting young families to Madison

- Improving the quality of life for seniors
- Poverty on the rise - especially for children
- Diversity is on the rise in Madison, Dane County and across America
- Growing gaps related to education, wages, unemployment
- Inequality threatens growth & stability.
- Racial disparities in Dane County in poverty and education pose significant challenges for future generations.
- Disconnected youth may face a lifetime of challenges.
- Seniors can become isolated leading to dire health consequences.

Daine said it's important to hear what the people in the community have to say.

Lofton said a lot of non-profits already working on Items 2 & 3. Talk with them.

Thompson-Frater said the CDA is in a position to do some of these things ourselves.

A motion was made by Brassler, seconded by Daine, to Return to Lead with the Recommendation for Approval to the COMMON COUNCIL ORGANIZATIONAL COMMITTEE. The motion passed by voice vote.

13 ADJOURNMENT

A motion was made by Brassler, seconded by Daine, to Adjourn. The motion passed by voice vote. The meeting adjourned at 6:27 p.m.