



City of Madison

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

Thursday, October 8, 2015

4:30 PM

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

[35867](#)

SCHEDULED MEETINGS:

Finance Subcommittee: Tues., Oct. 27: 2pm, 313 MMB
Community Development Subcommittee: Thurs., Oct. 29, Noon, 313 MMB
Housing Operations Subcommittee: Wed., Nov. 4, 4:30pm, 120 MMB
CDA Regular Meeting: Thurs., Nov. 5, 313 MMB
No special meetings in November

CALL TO ORDER / ROLL CALL

Staff Present: Natalie Erdman, Agustin Olvera, Tom Conrad, Matthew Wachter and Nancy Prusaitis

Chairman Brassler called the meeting to order at 4:35 p.m.

Present: 5 - Sheri Carter; Daniel G. Guerra, Jr.; Lauren K. Lofton; Sariah J. Daine and Dean Brassler

Absent: 1 - Sara Eskrich

Excused: 1 - Kelly A. Thompson-Frater

1 APPROVAL OF MINUTES: September 10 and September 24, 2015

A motion was made by Daine, seconded by Lofton, to Approve the Minutes for the meetings of September 10 and September 24, 2015. The motion passed by voice vote.

2 PUBLIC COMMENT

Dorothy Krause, Fitchburg Alder and County Board Supervisor of Fitchburg appeared. Ms. Krause said she is interested in Items 9, 9A and 10 on the agenda and just wants an update on what is happening. Fitchburg is interested in the potential park proposal south of Revival Ridge.

3 DISCLOSURES AND RECUSALS

Lauren Lofton said that her firm is representing Exact Sciences.

4 [32700](#) COMMUNICATIONS

None

There was a request to take The Village on Park items out of order.

4A JDS Update

Natalie Erdman provided the JDS update. The Common Council approved the amended and restated development agreement for the JDS transaction. CDA is a party to that agreement with the expectation that the CDA will build the parking structure, deed part of the structure to the Parking Utility and lease the other portion to JDS, LLC. The next piece of this is to get a schedule from JDS. Will need to negotiate details of parking structure and lease. The next item that needs to be approved is the Redevelopment District. If it's not approved, the CDA cannot build the structure. Scheduled for October 20th.

Daine asked why the CDA is asked to do it instead of the City. Erdman said the negotiating team and JDS decided to go with the CDA because the CDA can move faster. If the City builds it, it's a public bid process. The CDA can work through the construction documents directly. CDA was set up to do these types of things. The City is not set up to do private type construction; they do roads and infrastructure.

PRESENTATION OF CONSENT AGENDA: Items 5A, 5B, 7 and 8

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

5 [34760](#) HOUSING OPERATIONS MONTHLY REPORT

Augie Olvera and Tom Conrad provided the Housing Operations update. Vacancies are going up a bit because our vouchers are going out. Trying to process people as quickly as we can. Once the vouchers are out after the first of the year, should be able to get back up to 98%.

VASH Vouchers - Conrad said we received another increment of 21, which will be available in October. All together we have 154 vouchers for homeless veterans. Waiting for a possible 25 more to be inserted into Rethke project. In September had 95 veterans leased up. 42 shopping for apartments. First goal is to make sure all the vouchers are issued. Trying to recruit landlords. By the end of the year, most of the vouchers will be in use. S

5A [29695](#) Housing Operations Subcommittee Report

5B [40275](#) CDA Resolution No. 4149, authorizing the submission of documents regarding the required 2016 PHA Annual Plan.

6 [35133](#) CDA EXECUTIVE DIRECTOR'S REPORT

Natalie Erdman provided the update.

- The City's Affordable Housing Initiative - Significant money in the 2015 budget, Section 42 transactions (range of people less than 30% to market rate people). City contributes money to help them score better.

RFP went out. Have four strong developments that have applied for funding. Well located on transportation, near groceries and schools. Working on process of scoring them. Hope to back several proposers and help them get tax credits.

- Bridge/Lake Point Neighborhood Center - one of four transactions that have applied for City money.
- Permanent Supportive Housing for homeless. Tree Lane - proposal for last year - did not receive credits. Will apply again in January.
- Matt Wachter: Broadway property - option to sell to developer. Tree Lane - project applied for land use approvals on Wednesday. Negotiating deed restrictions with neighbors.

7 [35134](#) Community Development Subcommittee Report

8 [35137](#) Finance Subcommittee Report

9 [25012](#) MOSAIC RIDGE UPDATE

Matt Wachter provided the Mosaic Ridge update. The Certified Survey Map passed Council on Tuesday. Madison College house will be put up for sale. On Allied Drive, looking at Habitat for Humanity to take a lot.

9A [40304](#) CDA Resolution No. 4153, Contract for the construction of a three-bedroom house at Mosaic Ridge.

The CDA would build a spec house on next site over. Heard from realtor that it's hard for perspective buyers to tell what we are talking about. Would show activity at site. November 15 - costs go up significantly because of winter charges. Doing this now saves us thousands of dollars.

Dean Brassler asked about available funds for this project. Wachter said is over \$200,000 available. Another \$77,000 will be transferred into the fund. Sale of lots for park could be transferred into that fund. Enough flexibility to do one more house. House will cost approximately \$171,000. Could also sell Madison College house.

Daine asked about landscaping.

Wachter said some might get delayed slightly; it's 99% completed.

A motion was made by Lofton, seconded by Daine, to Approve CDA Resolution No. 4153. The motion passed by voice vote.

10 [35665](#) ALLIED DRIVE UPDATE

Wachter provided the update. The Parks Department has been slightly slowed down and working through the possible purchase of our site. There is a new Parks Development Manager and that's what this person is working on. Will be able to give us much better direction on price and outstanding issue of

the 145 apartments that were removed. Could possibly be credited for park fees.

Daine said don't we owe the City money or is that being forgiven. Wachter said we will talk to Council about forgiving or deferring the payment.

11 [33361](#)

TRUAX PARK REDEVELOPMENT UPDATE

Wachter said a Certificate of Occupancy was issued for the eight-unit building last week. Handed keys over to Porchlight and a Sub Management agreement was signed last week. Will probably move people in three or four weeks. All tenants have been identified. There are a handful of homeless vets, chronically homeless and some people in shelters.

The 24-unit building will open at the end of this month.

Olvera said we have until 2017 to take A units down (35 units seven of which were demolished). There are 28 units left. Trying to figure out what to do with them. Eventually demolish them, but Parks Department says we have until 2017 to take them down. We could rent them at market rate, low income or park some of people that would go into Rethke. There are one bedroom, three-bedroom and five-bedroom units. Could be used for families. Spoke with Rapid Rehousing Program (Salvation Army, YMCA and the Road Home). Subsidize rent and have a social worker assigned to them. Have 40 people in their program now who haven't been able to find housing. Possibly hiring a property manager from Meridian. Having discussions. Then help move the people into permanent housing late 2017. Several buildings (town houses).

Erdman said we will have to ask HUD for approval.

12 [20808](#)

THE VILLAGE ON PARK

Kris Koval, City Real Estate Agent, provided the Village on Park Updates. The monument sign will be installed. It is being moved to the corner of Park and Hughes.

VIP Nails did move out, but we do have a proposal for the space. Will come up at next board meeting. Space is in rough shape. Have another nail salon looking at it. Bidding out improvements - flooring, painting, taking out some temporary offices. VIP was there for 15 years.

Ald. Carter said there is not a central location for all the Internet boxes. She received a complaint from Charter. Is there any plan to centralize that in the future? Koval said that could be expensive, but will bring it up.

12A [40300](#) CDA Resolution No. 4150, authorizing the execution of a lease with the City of Madison for Suite 109 at The Village on Park.

Kris Koval, Real Estate Agent for the City of Madison, appeared. Ms. Koval said this is vacant space at The Village on Park that has been vacant for over a year. No build out on it. City EAP office has expressed an interest in the space. This is a good location for its services. The City is willing to pay for the improvements (\$20,600). Lease rate is lower than some recent leases. Five-year term: \$5.65/foot. It is noted in the lease that they have to pay for improvements.

A motion was made by Guerra, Jr., seconded by Lofton, to Approve CDA Resolution No. 4150. The motion passed by voice vote.

12B [40299](#) CDA Resolution No. 4151, authorizing the execution of a lease with Lane's Bakery & Coffee, Inc. for storage space at The Village on Park.

Kris Koval said this is a lease with Lane's Bakery - storage for their baking racks. It's across the hallway, a raw space. \$3.50/sf for storage with 2% increases annually. Co-terminus lease with existing space.

A motion was made by Guerra, Jr., seconded by Daine, to Approve CDA Resolution No. 4151. The motion passed by voice vote.

12C [40301](#) Madison College Expansion

Kris Koval said the City is working on trying to figure out space needs for Madison College. West side space will be coming down next year. Putting out an RFP shortly to lay out their needs. Early look at this and came up with a talking point letter that we could accommodate them with almost 50,000 SF. Demolish old building where Head Start is and build 33,000 SF there with an adjacent parking structure (210 stalls). Construction figures and what would be their rate for a 10-year lease. Access to existing space. \$30/sf. Amortize debt over 15-year lease. They asked us to pull it out over 20.

Guerra asked if this was the only option Koval said we could go with an underground parking tray. Would need to relocate Harambee and daycare.

Matt Wachter said this maximizes the space we have to build out. Site is already under parked.

Guerra said if we put more usable space there, we could employ more people in the area.

Erdman said the market rate is \$18 for the area.

- 12D [40302](#) CDA Resolution No. 4152, authorizing the execution of an amendment to the lease between the CDA and the State of Wisconsin, Department of Administration (d/b/a/ UW Space Place) to add one additional three (3) year renewal period to the lease for space at The Village on Park.
- Kris Koval said this lease is for 9,000 SF. They are out of their options. It's an amendment to their lease. No capital costs associated with this lease.

A motion was made by Lofton, seconded by Carter, to Approve CDA Resolution No. 4152. The motion passed by voice vote.

- 13 [36526](#) BUSINESS BY THE COMMISSIONERS

Daine asked about Rethke.

Wachter said he spoke to contractor. They are starting construction. Next week will be framing the building. Retaining wall is getting finished up. Should be complete end of April/early May.

- 14 **ADJOURNMENT**

A motion was made by Guerra, Jr., seconded by Daine, to Adjourn the meeting at 5:48 p.m. The motion passed by voice vote.