

City of Madison CDBG Committee

2021 Year End Report
Housing Supply, Neighborhood Assets &
Economic Development Outcomes



Economic Development: Goals and Objectives

Expand employment opportunities and enhance neighborhood vitality by supporting new and existing businesses.

- ▶ Objective 1
 - ▶ Job Creation and Community Business Development
- ▶ Objective 2
 - ▶ Small Business Development

Small Businesses Supported by CDBG



Circa Room



Tortilleria
Zepeda



Journey
Together
Childcare



Green Owl
Cafe

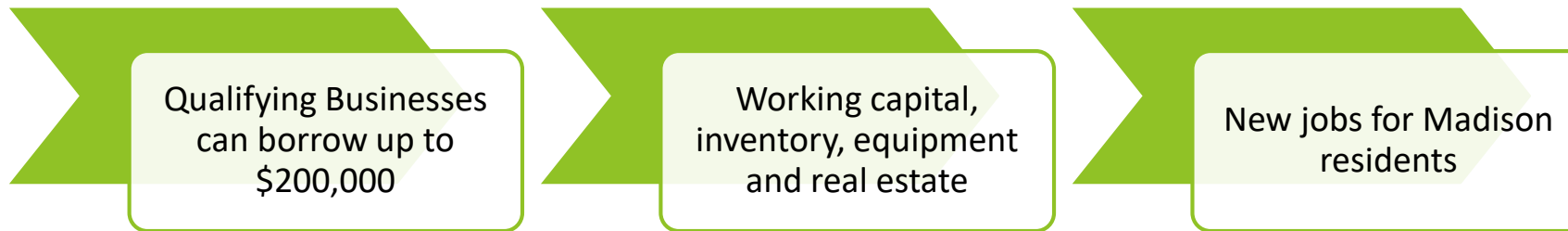
Economic Development Opportunities

“Thanks to the Partnership and generosity of the City of Madison CDBG loan dollars, some of these business owners were able to start businesses during a crisis, while others were able to survive the pandemic by changing their business model, overnight! The Partnering of COM CDBG loan dollars combined with WWBIC’s technical support professionals, literally saved **livelihoods**! Together, WE are the ‘frontline workers’ for Economic Development!”

- WWBIC

Madison Development Corporation (MDC) Small Business Loan Program

- ▶ MDC's small business loan program provides financing with the help of the City's Community Development Block Grant (CDBG) funding.



In 2021 MDC closed on three projects, creating 11 full-time and 15 part-time jobs:

- Garver Events
- Underground Meats
- Fairchild

Also in 2021, MDC approved a loan to the Madison Aquatic Center, which is expected to create 18 full-time jobs.

Since 1977
400 loans
\$24.5M invested
3,800 jobs supported

Business Incubator Improvements

Main Street Industries

- ▶ Common Wealth Development's incubator was in need of a new roof
- ▶ City committed up to \$500,000 in CDBG funds to replace the curved roof of the former Greyhound bus station
 - ▶ CWD also installed solar tubes to reduce energy costs



Main Street Industries



“The CDBG funds provided by the City of Madison to replace the roof at Main Street Industries was critical for our business incubator. It allowed us to continue our support of more than 20 small businesses. We appreciate the City’s support to expand the project which allowed us to install solar panels to reduce the overall carbon footprint for the businesses.”

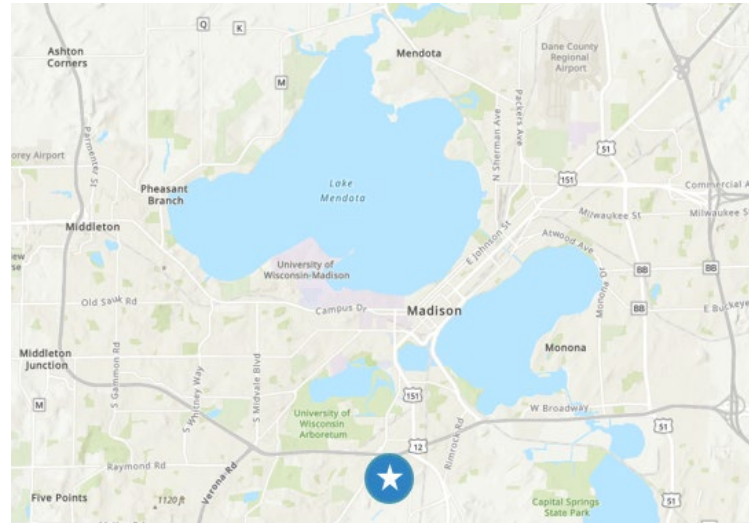
- Justice Castañeda, Executive Director, Common Wealth Development



Neighborhood Assets: Child Care Center Improvements

Dane County Parent Council: Reach Dane

- ▶ Commitment of \$300,000 in CDBG funds allowed Reach Dane to relocate and expand child care to 3201 Latham Drive
- ▶ Serving approximately 150 children



Reach Dane's Healing Space for Kids & Families



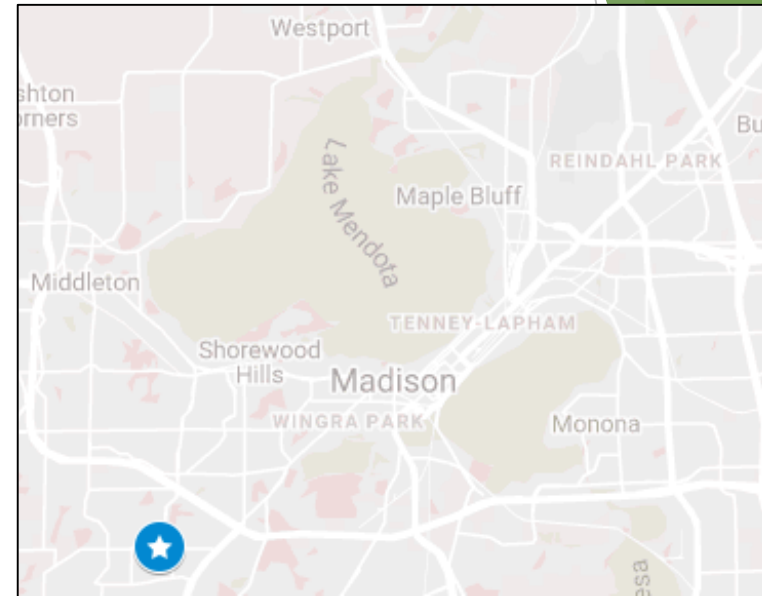
Affordable Housing Supply

The supply of housing has not kept pace with demand, contributing to a chronic shortage of housing and rapidly rising prices. The result is that people have less choice about where they live, and those with fewer means often have no choice at all.

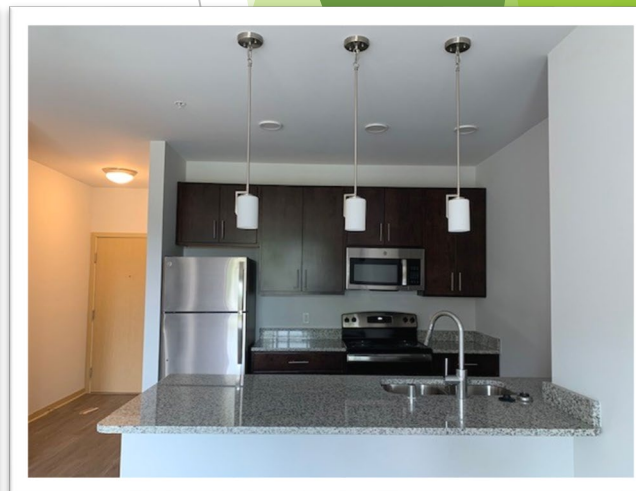
Even when people have housing, they are often one missed paycheck, one health emergency, or one misstep away from losing it.

HOME, CDBG & City funds are used to increase the supply and preservation of affordable housing and to provide financial assistance to low-to-moderate income home owners to improve housing quality.

Alliance at Meadowood



- 11 income/rent restricted HOME units
- Goal: Stabilize Meadowood Neighborhood
- HOME Funds \$1,045,000
- On-Site Space for Social Services
- Completed December 2021

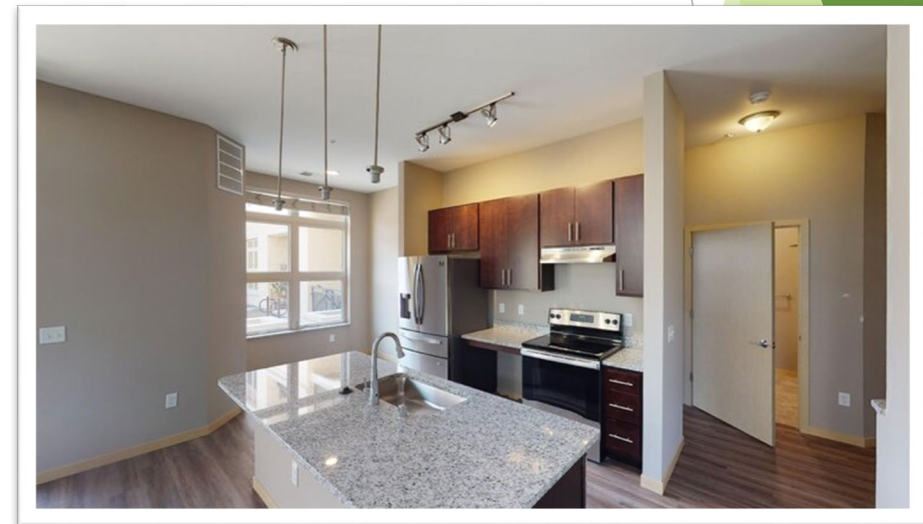
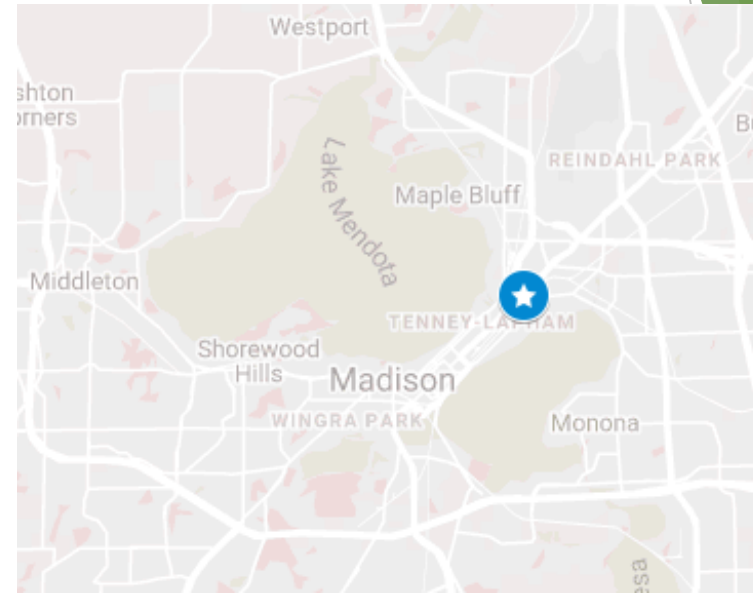


“The HOME funds received through the City of Madison’s Community Development Division allowed Common Wealth Development to construct The Alliance at Meadowood, an 11-unit mixed use building at 5802 Raymond Rd in the heart of south Madison’s Meadowood neighborhood. This building was a crucial component to the organization’s continued ability to support the neighborhood and solidified our organizational future in south Madison. **The HOME funds were vital in our ability to construct a building that would increase stable family housing while supporting Madison’s comprehensive plan to increase housing stock that would support the missing middle.** The funds made it possible for Common Wealth to provide truly affordable housing for low-to-moderate income families into perpetuity and allowed us to create a healthy co-working space that would help to stabilize supportive services and thus build a sense of trust and community with the neighborhood. Common Wealth has become a critical component of the Meadowood neighborhood and a continued support to the lives and families that we serve.”

- Ashley Gohlke, Director of Development Operations, Common Wealth Development



The Graaskamp



- 44 units with 33 affordable units
- HOME Funds \$990,000
- 100% Universal Design Building
- Completed: February 2021



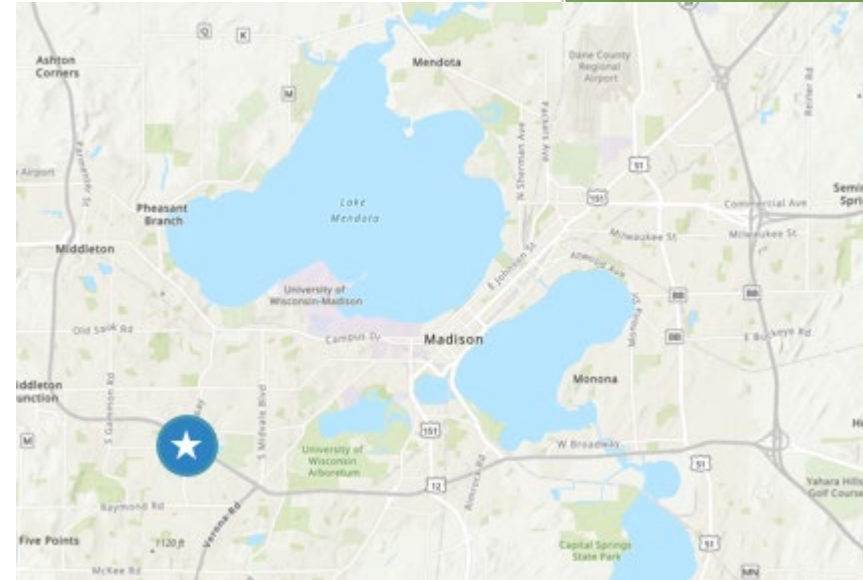
THE GRAASKAMP

“The City’s HOME funding (of \$990,000) was critical to making our 44-unit affordable housing project in Madison feasible. The City’s CDD Team was the champion of helping MDC provide permanent affordable housing for families in Madison. The Mayor (thanks to Linette’s Team) embraced the ‘universal design’ we incorporated into the building which makes it ‘visitable’ by people of all physical abilities. Named after the beloved UW Professor, James A Graaskamp who had ‘mobility challenges’, the building honors Graaskamp’s years of work championing affordable housing that is accessible to all.”

-Lorrie Keating Heinemann, President & CEO of MDC



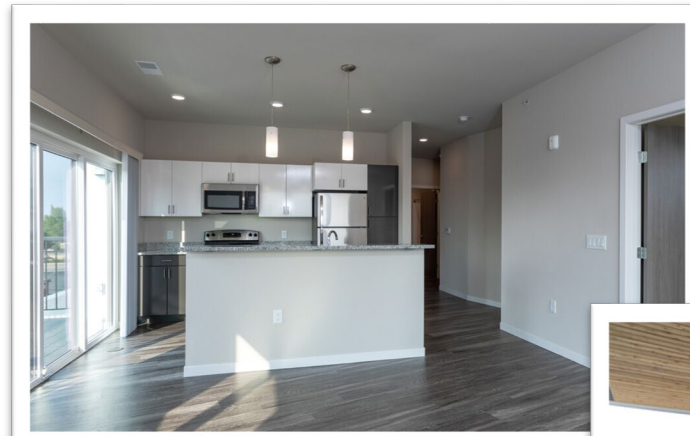
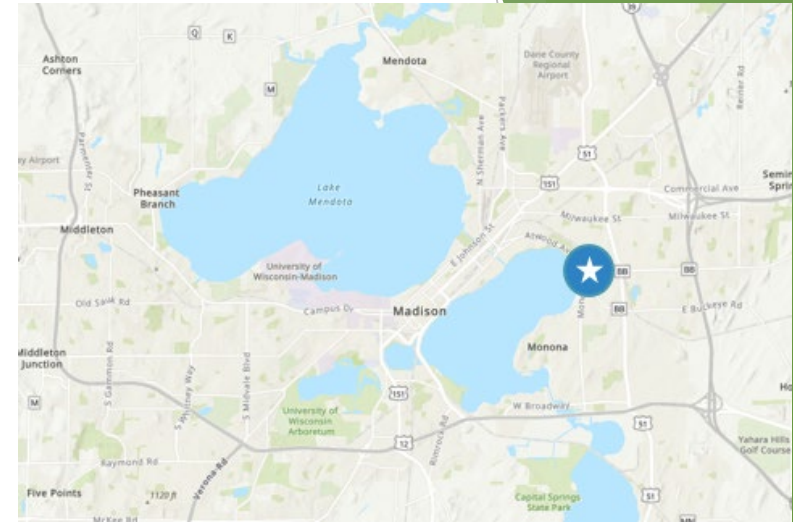
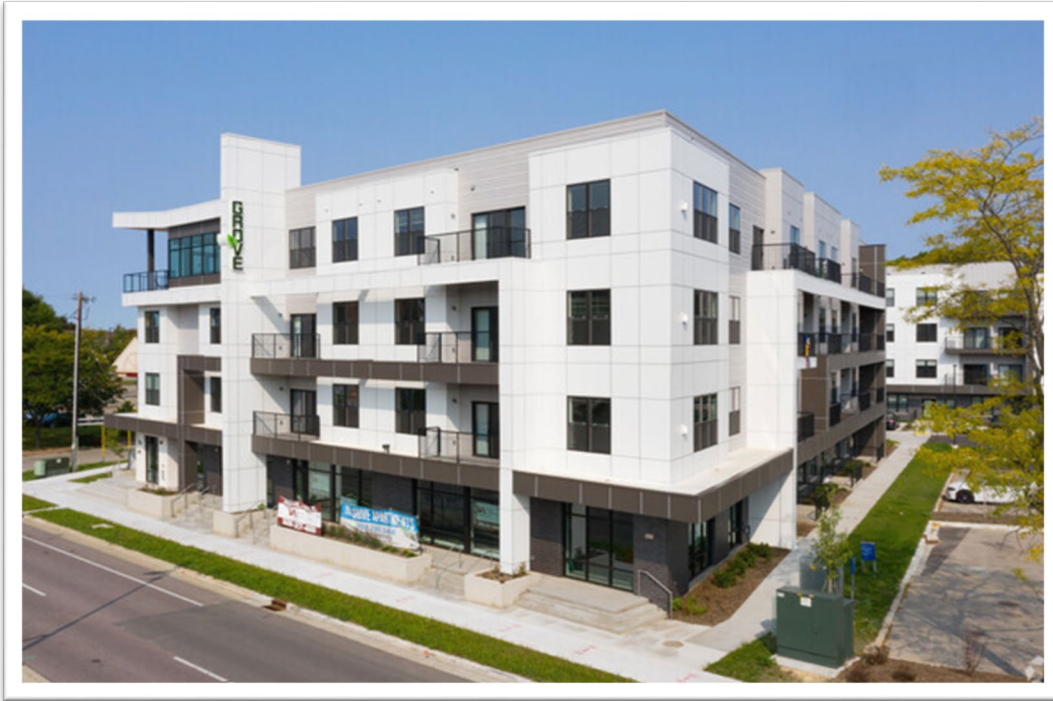
Tailor Place Apartments



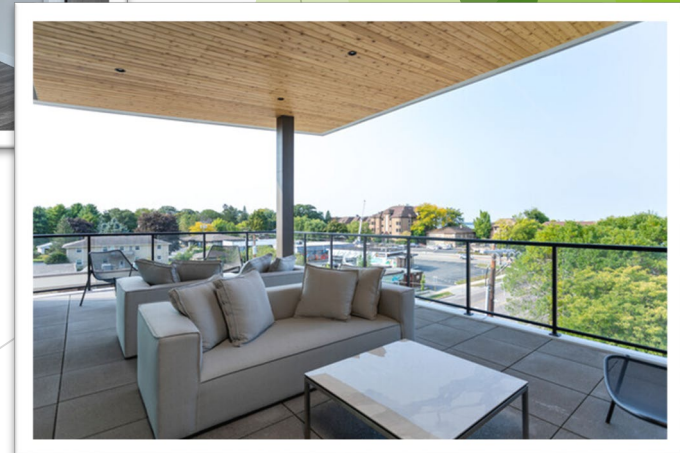
- 96 units with 81 affordable units
- Affordable Housing Funds \$1,850,000
- Services provided by The Road Home
- Completed: December 2021



The Grove Apartments



Source: MSP Real Estate



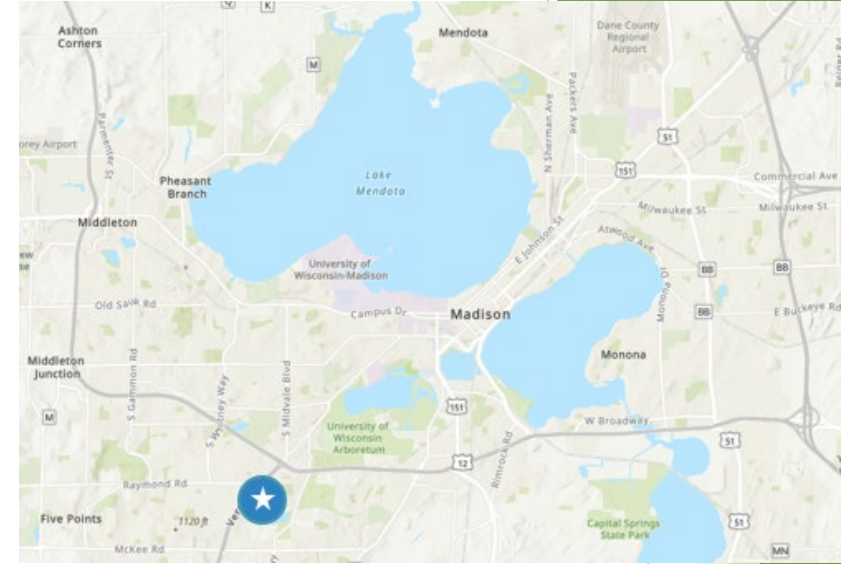
112 units with 95 affordable units

Affordable Housing Funds \$3,000,000

Largest CDD-funded tax credit project completed thus far!

Completed: January 2021

Prairie Crossing



- Preservation of 48 units of existing affordable housing
- Community Development Block Grant Funds \$355,000
- 29 units reserved for households earning less 50% CMI
- Completed: December 2021



Equity in Contracting Goals

The City of Madison is proud to have values that support and sustain our resources being invested in our partners that will help us advance equity. In order to make sure that City of Madison dollars and the dollars of our tax payers are aligned with our values, the City's Department of Civil Rights conducts compliance on all projects we fund.

Contract Compliance provides education, evaluation and enforcement of the City's equal opportunity and affirmative action policies for all companies doing business with the City of Madison.

Equity in Contracting Goals

2 projects exceeded their BIPOC workforce goals!

- ▶ Raymond Road – 18.8% (12.8% over their 6% goal)
- ▶ Prairie Crossing – 6.7% (0.7% over their 6% goal)

1 project exceeded their women workforce goal!

- ▶ Prairie Crossing – 8.2% (1.2% over their 7% goal!)

1 project exceeded their Targeted Business Enterprise goal!

- ▶ Reach Dane – 22.69% (1.69% over their 21% MBE/WBE goal)

From these closed projects:



**\$792,680 to
Targeted Business Enterprises**

Summary



Down Payment Assistance

42 low-to-moderate income households
\$700,000



Owner Occupied Housing Rehabilitation

86 low-to-moderate income households received rehab
\$262,000



Community Centers

The Centers reported serving 18,164 households over the course of the year.
86% of served households under 80% CMI
\$400,000



Planning

Provided administrative support to finalize the South Madison Plan
\$42,000



Economic Development

Six small businesses were assisted creating at least 50 jobs
\$400,000



693 small businesses received technical assistance and support
\$279,000

Down Payment Assistance

“Habitat for Humanity of Dane County is proud to partner with the City of Madison to increase homeownership opportunities by building new homes, repairing and rehabbing existing homes, and providing residents with financial capability training.

Last year alone, five Madison families became first-time homeowners through Habitat. Together we are serving more Madison residents and expanding our reach to those who need it most to build a more secure and stable community!”

- Habitat for Humanity of Dane County



Owner Occupied Housing Rehabilitation

“The City of Madison Minor Home Repair Program has long been a resource for low-to-moderate income homeowners who are struggling to make repairs, accessibility modifications or maintain their homes. **With the support of CDBG funding from the City of Madison, in 2021, more than 80 homes received health and safety related repairs to improve the lives of 176 area residents.** The majority of homeowners assisted (66%) were below 50% of the County Median Income. Last year, 53% of the projects completed were for Senior Citizen homeowners. Other layers of impact for the program include: 48% of homes with at least one disabled resident and 38% of the people impacted were BIPOC community members.

From ramps, decks, plumbing leaks, water heater replacements, bathroom modifications and more, all of CDBG funded projects were investments in area homes, neighborhoods and people. Project Home appreciates the city’s continued support to allow us to serve homeowners in need.”

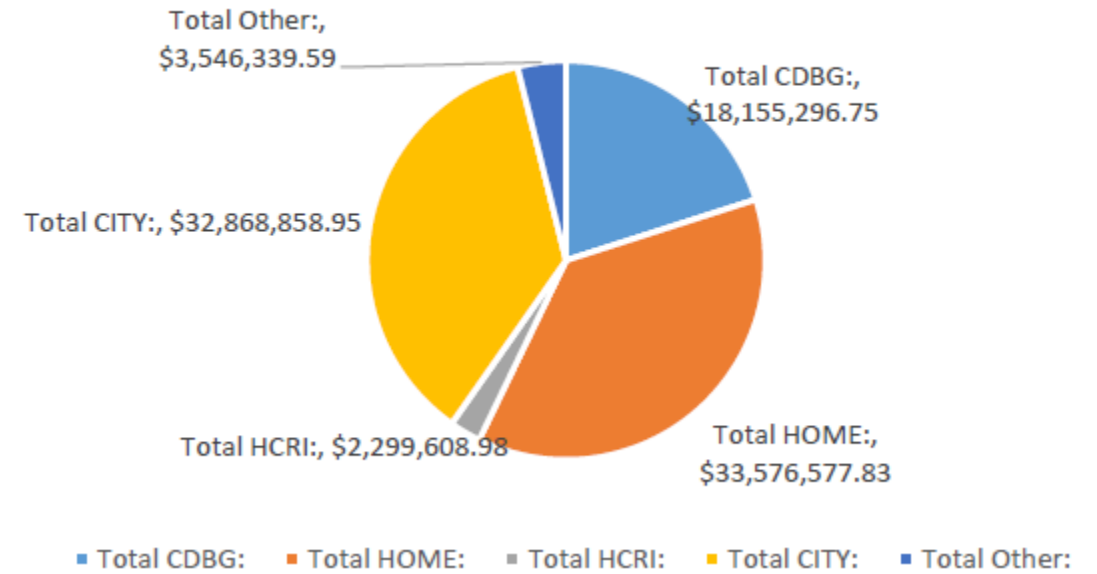
-Jason O. Hafeman, Outreach Manager, Project Home



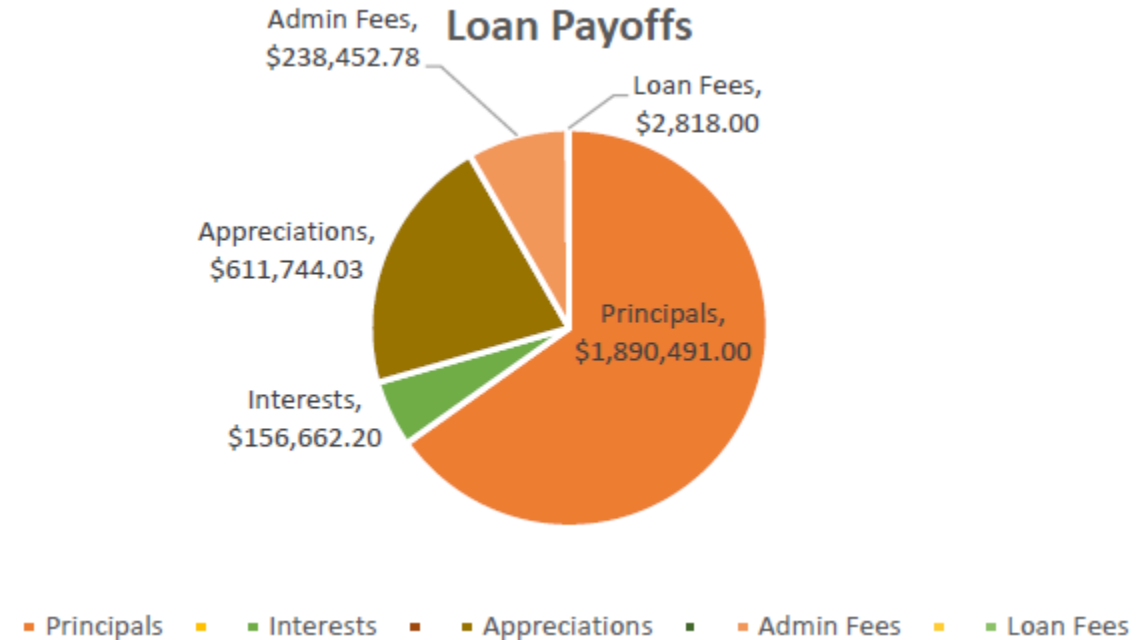
2021 Asset Management

- ▶ Loan Balance: \$90,446,682
- ▶ Payoffs Generated: 156
- ▶ Subordinations Completed: 57

Loan Sources as of 12/31/2021

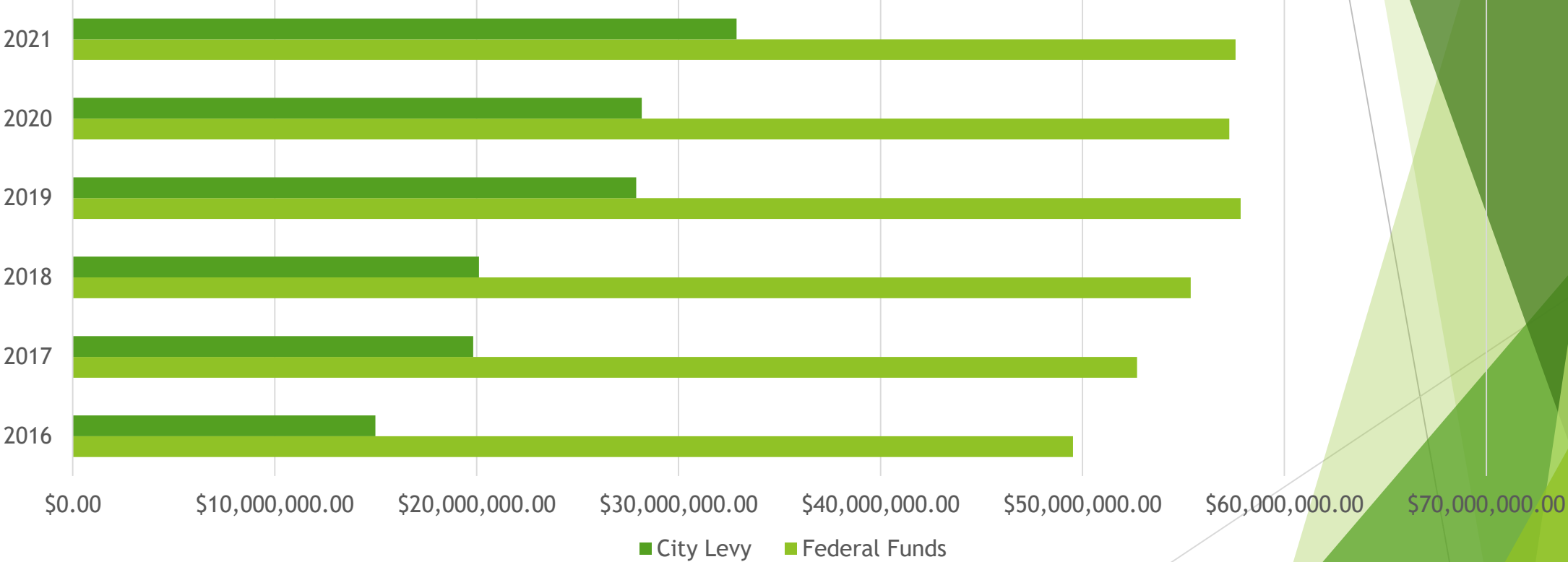


Loan Payoffs



Loan Balance by Fund Source

Chart Title



These projects could not have happened without the amazing staff within the City of Madison's CDBG Unit and community partners. Thank you!

▶ Jim O'Keefe, Director

▶ Linette Rhodes, Manager

▶ Anne Kenny

▶ Ben Doing

▶ Chelsea Volden-Stammen

▶ Hardy Garrison

▶ Julie Spears

▶ John Vogt

▶ Kazoua Lor

▶ Katy Petershack

▶ Maria Davila-Martinez

▶ Matt Frater

▶ Meshan Adams

▶ Terri Goldbin

▶ Torrie Kopp Mueller

▶ Sarah Lim

