



City of Madison

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

Meeting Minutes - Approved COMMUNITY DEVELOPMENT AUTHORITY

Thursday, October 16, 2008

4:30 PM

The Villager Studio
2234C South Park Street

1 CALL TO ORDER / ROLL CALL

Present: 6 -

Julia S. Kerr; Tim Bruer; Kevin M. O'Driscoll; Alice J. Fike; Stuart Levitan
and Kelly A. Thompson-Frater

Excused: 1 -

Gregg T. Shimanski

2 APPROVAL OF MINUTES

2a September 11, 2008: <http://legistar.cityofmadison.com/calendar/#current>

A motion was made by Bruer, seconded by Fike, to Approve the Minutes. The motion passed by voice vote.

2b September 29, 2008: <http://legistar.cityofmadison.com/calendar/#current>

A motion was made by Bruer, seconded by Fike, to Approve the Minutes. The motion passed by voice vote.

2c October 8, 2008: <http://legistar.cityofmadison.com/calendar/#current>

A motion was made by Bruer, seconded by Fike, to Approve the Minutes. The motion passed by voice vote.

3 PUBLIC COMMENT

Mr. Bill Tangnery, representing the Commission on People with Disabilities, appeared before the Board to request that the CDA consider increasing the number of accessible units in its future plans for housing to accommodate this growing need. He noted that people are living longer resulting in more people with disabilities. He stressed that senior living should be developed closer to the ground and he advocated the use of solar energy. He concluded his remarks by commending the CDA for its efforts to address this need in the Allied Drive Redevelopment Project.

4 **COMMUNICATIONS - None**

5 [12318](#) **LAKE POINT CONDOMINIUMS UPDATE**

Brown reviewed the Lake Point Status Report from the Receiver. Buyer traffic at the site has slowed down, but is better than expected in a market where many similar projects seem void of potential buyers. We have received an accepted offer for a new town home unit. Levitan reported that the unit was being purchased through the possible use of the MDC Down Payment Assistance Program. Brown stated that Steve Looft, representing the Receiver, had established a positive working relationship with the owners and was doing a good job overall managing the project. An updated pro forma estimate will be completed every quarter to track performance.

6 **ROUTINE BUSINESS**

6a [12265](#) Housing Operations Monthly Report

A motion was made by Fike, seconded by Thompson-Frater, to Accept. The motion passed by voice vote.

6b [12266](#) CDA Resolution #2827, establishing the Payment Standards for the Section 8 Housing Choice Voucher Program for the 2008-2009 year.

A motion was made by Thompson-Frater, seconded by Fike, to Accept. The motion passed by voice vote.

6c [11977](#) Creating an Ad Hoc Housing Merger Planning Committee.

Levitan had referred the merger report to the Housing Operations Subcommittee, but the Subcommittee was unable to meet, due to the lack of a quorum. Levitan suggested that the size of the Merger Committee be expanded from 11 to 13, with one of whom will be a member of the Housing Operations Subcommittee. He indicated that he had run the idea by the Mayor and the Mayor concurred. Bruer's position was that the representative be a CDA Board member instead, and noted that he had requested O'Driscoll to serve in that capacity. O'Driscoll stated that he would be interested in representing the CDA on the Merger Committee if the CDA so desired.

A motion was made by Bruer, seconded by Kerr to Return to the HOUSING COMMITTEE with the Following Recommendation: The size of the Merger Committee be expanded from 11 to 13 members, at least one of whom shall be a CDA Board member. The motion passed by the following vote:

Excused: 1 - Shimanski
Ayes: 5 - O'Driscoll, Bruer, Kerr, Thompson-Frater and Fike
Nos: 1 - Levitan

A motion was made by Thompson-Frater, seconded by Bruer, to Return to Lead with the Following Recommendation to the HOUSING COMMITTEE: O'Driscoll be named the CDA representative to serve on the Merger Committee. The motion passed by voice vote.

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quorum. Levitan suggested that the size of the Merger Committee be expanded from 11 to 13, with one of whom will be a member of the Housing Operations Subcommittee. He indicated that he had run the idea by the Mayor and the Mayor concurred. Bruer's position was that the representative be a CDA Board member instead, and noted that he had requested O'Driscoll to serve in that capacity. O'Driscoll stated that he would be interested in representing the CDA on the Merger Committee if the CDA so desired.

A motion was made by Bruer, seconded by Kerr to Return to the HOUSING COMMITTEE with the Following Recommendation: The size of the Merger Committee be expanded from 11 to 13 members, at least one of whom shall be a CDA Board member. The motion passed by the following vote:

Excused: 1 - Shimanski

Ayes: 5 - O'Driscoll, Bruer, Kerr, Thompson-Frater and Fike

Nos: 1 - Levitan

A motion was made by Thompson-Frater, seconded by Bruer, to Return to Lead with the Following Recommendation to the HOUSING COMMITTEE: O'Driscoll be named the CDA representative to serve on the Merger Committee. The motion passed by voice vote.

Excused: 1 -

Gregg T. Shimanski

Ayes: 6 -

Tim Bruer; Kevin M. O'Driscoll; Alice J. Fike; Kelly A. Thompson-Frater; Julia S. Kerr and Stuart Levitan

6d [12207](#)

Economic Development Status Report for the month of September 2008

A motion was made by Bruer, seconded by Thompson-Frater, to Accept. The motion passed by voice vote.

6e [12213](#)

Consideration of a request from James and Karen Hubbard for the CDA to grant an exception to its Loan Subordination Policy for their property located at 1605 Homberg Lane.

Terri Goldbin, Economic Development Division, reviewed the request from the Hubbards for the City to subordinate its \$17,000 third mortgage to a new first mortgage of \$188,079. As a result of the subordination, the interest rate will change from a 9.75% adjustable rate to a 7% fixed rate for 30 years. The monthly housing payment will be reduced by \$250, and the new loan-to-value ratio will be 94.1%, exceeding the 85% loan-to-value ratio limit established by the subordination policy. The new mortgage will have a co-signer. Staff recommends approval of the subordination request subject to the following conditions:

- Real Estate taxes must be current.
- Lender must escrow taxes and hazard insurance.
- Project Home/County loan must be subordinate to City loan.
- City to be provided a copy of the new Note and Mortgage reflecting fixed rate loan not to exceed 7%, term 30 years, loan amount not to exceed \$188,079.

- Copy of Closing Statement.

James and Karen Hubbard registered and spoke in support of adoption. Because Karen is unable to work due to an injury she sustained in 2005, the Hubbards have had difficulty making their housing payments and have fallen behind on their taxes. The Hubbards stated that if the subordination was not granted, they would lose their home and be out on the streets.

Goldbin stated that although the ratios were somewhat high, she was comfortable with granting the subordination because a co-signer was involved.

A motion was made by Kerr, seconded by Bruer, to approve the subordination request as recommended by staff subject to review of closing documents by staff and City Attorney. The motion passed by voice vote.

7 DETAILED BUSINESS

7a [12211](#) Action on the CDA 2009 Work Plan

A motion was made by O'Driscoll, seconded by Thompson-Frater, to Accept. The motion passed by voice vote.

8 BUSINESS BY THE COMMISSIONER - None

9 ALLIED DRIVE - ALLIED DEVELOPMENT SUBCOMMITTEE UPDATE

9a Land Use/Entitlements

Final sets are done and being routed.

9b Financing

Under review, working to close in early November.

9c Design/Sustainability

Working with Dimension IV toward LEED Silver and Energy Star.

9d Relocation - Done

9e Public Works

Done. Bricks were not saved as promised, but will get bricks back from elsewhere in the neighborhood.

9f Neighborhood Process

Series of meetings planned with McGann Construction.

9g Construction

Site cleared. Streets being paved. Hope to begin construction by mid-November.

9h Employment Opportunities for Residents

Outreach efforts are underway.

9i Property Management

Contract awarded to Team Management, Inc.

9j [12305](#)

CDA Resolution No. 2824, authorizing the Executive Director to execute a contract with TEAM Management, LLC for the provision of On Site Property Management Services for the Allied Drive Redevelopment Properties.

A motion was made by O'Driscoll, seconded by Thompson-Frater, to Accept. The motion passed by the following vote:

Excused: 1 -

Gregg T. Shimanski

Ayes: 5 -

Tim Bruer; Kevin M. O'Driscoll; Alice J. Fike; Kelly A. Thompson-Frater and Stuart Levitan

Noes: 1 -

Julia S. Kerr

9k [12309](#)

CDA Resolution No. 2829, authorizing the submission of applications for, and acceptance of, planning and construction grants from various funds for sustainable and energy efficiency aspects of Phase 1 of the Allied Redevelopment Project on Allied Drive.

A motion was made by Bruer, seconded by O'Driscoll, to Accept. The motion passed by voice vote.

9l [12310](#)

CDA Resolution No. 2828, authorizing the Community Development Authority to authorize necessary actions to develop 49 units of affordable housing at Jenewein Road and Allied Drive, known as Allied Drive Redevelopment, LLC.

A motion was made by Bruer, seconded by Thompson-Frater, to Approve subject to review by City Attorney for concurrence with Cooperation Agreement. The motion passed by voice vote.

10 TRUMAN OLSON - TRUMAN OLSON UPDATE - No report.

10a [08712](#)

Truman Olson Army Reserve Facility at 1402 South Park Street

11 THE VILLAGER - COMMUNITY DEVELOPMENT SUBCOMMITTEE UPDATE

Olinger and Bower provided The Villager update.

- Nearing an agreement on the design of the Atrium and floor plans.
- Bidding is underway.
- Groundbreaking planned for in mid-November.
- Good community meeting at The Villager last night.
- Mobil Gas Station has closed and is shut down.
- Moving ahead with exploring Phase II, i.e., Wingra Health.

11a Presentation on Status of the Phase I and II Redevelopment - No report

11b [12208](#) CDA Resolution No. 2825, authorizing the execution of a lease with Madison Area Technical College for space within The Villager.

A motion was made by Bruer, seconded by Kerr, to Accept. The motion passed by voice vote.

11c Presentation Regarding the Draft 2009 Operating Budget for The Villager

- Olinger distributed and highlighted the 2009 Draft Budget.
- On the income side, budget includes Cricket, new tenant.
 - On the expense side, Harambee maintenance/janitorial costs will increase by \$40,000.
 - Total net operating income is budgeted to be \$569,334 for 2009.
 - The budget will be on the November 13 agenda for adoption. Staff was asked to bring 2008 budget for comparison.

11d CLOSED SESSION

A motion was made by Thompson-Frater, seconded by Bruer, to Convene into Closed Session. The motion passed by the following vote:

Excused: 1 -

Gregg T. Shimanski

Ayes: 6 -

Tim Bruer; Kevin M. O'Driscoll; Alice J. Fike; Kelly A. Thompson-Frater;
Julia S. Kerr and Stuart Levitan

RECOVENE IN OPEN SESSION

Report on negotiations with the Urban League of Greater Madison for the purchase of a parcel of land from the CDA at The Villager.

**A motion was made by Bruer, seconded by Thompson-Frater, to Reconvene.
The motion passed by the following vote:**

Excused: 1 -

Gregg T. Shimanski

Ayes: 6 -

Kevin M. O'Driscoll; Alice J. Fike; Kelly A. Thompson-Frater; Julia S. Kerr;
Tim Bruer and Stuart Levitan

12 ADJOURNMENT

**A motion was made by Bruer, seconded by O'Driscoll, to Adjourn. The motion
passed by voice vote. The meeting adjourned at 6:00 p.m.**