



City of Madison

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

Tuesday, July 9, 2013

12:00 PM

215 Martin Luther King, Jr. Blvd.
Room 313 (Madison Municipal Building)

~ Allied Development Subcommittee Meeting ~

SCHEDULED MEETINGS:

CALL TO ORDER / ROLL CALL

Staff Present: Natalie Erdman and Matt Wachter

Present: 2 -

Sariah J. Daine and Kelly A. Thompson-Frater

Excused: 6 -

Sue Ellingson; Paul E. Skidmore; Daniel G. Guerra, Jr.; Lauren K. Lofton;
Dean Brassler and Stuart Levitan

1 APPROVAL OF MINUTES: October 15 and December 11, 2012

A motion was made by Daine, seconded by Thompson-Frater, to Approve the Minutes of the meetings of October 15, 2012 and December 11, 2012. Daine was not present at the meetings. The motion passed by voice vote.

2 PUBLIC COMMENT

None

3 DISCLOSURES AND RECUSALS

None

4 REVIVAL RIDGE

4A [29109](#)

Revival Ridge Financial Review Year End 2012

Please see attached Audit from last year.

Erdman said the Audit is clean. The Auditor gives us suggestions. She will go through these with the management company. We hold significant cash balances, more than what is insured by FDIC. They recommend we do a review of Johnson Bank on a regular basis. Thompson-Frater asked why not make it two different accounts. Erdman said the Bank wants us to hold reserves. We will have to sort through that issue.

Cash flow participation - Completed cash flow analysis. Reconciliation.

Having management on site makes the property more stable. Generating \$50,000 extra cash flow/year.

Once a quarter - will give an update. Thompson-Frater suggests quarterly because of new members. The updates will be given in August & November. Year end will be January, February or March.

Thompson-Frater said Truax has big reserves, but are held in City's account. Thompson-Frater suggested change cash reserves by September.

5 [25012](#)

MOSAIC RIDGE UPDATE

Erdman stated that Mosaic Ridge immediately adjacent to Revival Ridge on Allied Drive. It's the second phase of the redevelopment. It is platted for 24 single-family homes. Agreement with City to be master developer. Some lots will be income restricted (See attached outline from Erdman).

Have Homeowners Association documents, Declarations of Restrictions, By Laws, Articles of Incorporation and Architectural Design Guidelines.

Homebuyers education - set and contracted with GreenPath. Will do outreach within the area. Screening process. Classes offered for new home buyers. Also hook up people with other agencies, like Habitat for Humanity.

CDBG will also be involved. \$360,000 available cash in the Allied fund. Asking for Council approval to use \$300,000 to assist with construction and permitting fees. 20% fees we earn have to be reinvested in the area; 20% has to be invested in affordable housing.

Daine asked if there is a restriction on how long they have to live there if they build a house. Erdman said there should be. Recommend 10-year loan that if you sell before then, you have to pay some back to the CDA. It's an experiment. We don't know exactly how it's going to work. Goal is to have more owner-occupied, a more stable neighborhood.

Launching this process. High on priority list - get basic marketing materials together, outreach, two people ready to try out screening program. Get developer/partner on board and get zoning finished. Thompson-Frater said we should check into seeing if previous developer/partner would still be interested.

Work off Erdman's list. Next month - lot prices, subsidies. Circulate development plan.

5A Historic House for Mosaic

Wachter said a historic house at 1022 Mound Street is scheduled to be demolished. Got some tentative bids on price to move it - \$38,000 + utility companies fees. Put a new foundation and rehabilitate the house because it's in rough shape. Had a contractor estimate - \$250,000-\$275,000 for repairs. Thompson-Frater asked if it is still worth it to be sold as a duplex. Erdman said we could build a 912 SF house for \$130,000. Might be even. Not cheaper, but perhaps comparable. Would rather get a brand new house with high efficiency. Thompson-Frater asked if we should run into something else, is it worth considering.

Wachter stated the height and roofline determines the price of moving it. This one is just barely workable. Erdman said if there was a smaller house, we would think about it.

Daine suggested something that would mean something to the neighborhood, something for them to take pride in.

Erdman said this was a useful exercise for Wachter.

6 Madison College Collaboration

Erdman stated she is two-thirds of the way through with Letter of Intent. Thompson-Frater and Erdman met with Madison College. Madison College is asking us to Joint Venture with them to design a low energy usage house that we would buy from them for them to construct on a lot at Mosaic Ridge. They would use their classes to design the house, everything from mechanical plans, etc. We would have a right to approve the plans. They would build the house on a site near campus and move it to Mosaic Ridge. We would pay them a flat fee. Working through details.

Daine asked if this was less expensive. Erdman said in essence, we're paying for the materials and the labor is free. Thompson-Frater said it's a two-year process. Talking about requiring them to hire/train people from Allied area. Can see doing this at other properties if it goes well, like Truax. Erdman said it might be difficult for them to hire someone. Might get a free slot in a trades class.

7 ADJOURNMENT

A motion was made by Daine, seconded by Thompson-Frater, to Adjourn. The motion passed by voice vote. The meeting adjourned at 1:03 p.m.