



City of Madison

City of Madison
Madison, WI 53703
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Meeting Minutes - Approved HOUSING COMMITTEE

Wednesday, January 9, 2008

5:00 PM

210 Martin Luther King, Jr. Blvd.
Room 310 (City-County Building)

CALL TO ORDER / ROLL CALL

A quorum of the Housing Committee was present by 5:05 PM. The meeting was called to order by Chair Tom Hirsch at 5:11 PM.

Staff present: George Hank and Meg Zopelis

Present: 11 -

Brian A. Munson; David C. Porterfield; Brenda K. Konkel; Susan K. Day; Philip P. Ejercito; Thomas E. Hirsch; Tobi L. Rutten; Curtis V. Brink; Rose M. LeTourneau; David R. Sparer and Eli Judge

Absent: 2 -

Victor E. Villacrez and Detria D. Hassel

Excused: 2 -

Howard Mandeville and Judith M. Wilcox

PRESENTATION BY CDA ON THEIR PLANS FOR HOUSING IN THE ALLIED NEIGHBORHOOD

Presentation by Mark Olinger, Tom Landgraff and Stuart Levitan.

Stuart Levitan, Chair of the Community Development Authority, was present and accompanied by Mark Olinger and Tom Landgraff. Mr. Levitan sat in front of the Council when they asked for the original preliminary Resolutions and promised the Council that the CDA would develop this parcel in Phase 1 to provide that all of the units would be affordable to households at and below 60 % of median income. They have met that goal. They have also provided 26, two-bedroom plus dens or three-bedroom units, which is a majority of the units in Phase 1. They have also provided at least 13 units that are affordable to households at and below 30% of median income. By way of comparison, in the entire housing market study area, there are 566 existing apartment units; 8 of them are affordable to households at 30% and below. In just Phase 1 of this project, 45-47 residentially occupied units, we are providing more very low-income apartments than the rest of the housing market study combined. This is a very significant accomplishment on the part of CDA and the part of the City, in making this happen.

He thinks they have to acknowledge that there are a number of occasional mutually exclusive agendas happening here. There is a desire for some income diversification throughout the community, throughout this part of the neighborhood. There is a desire for home ownership opportunities and Mr.

Levitan has distributed a statement and framework of what he is proposing to the CDA. They have done their best to provide the three-bedroom mix that the neighborhood so desperately needs and to provide the very affordable units that the neighborhood so desperately needs, and to do it in a way that is fiscally responsible and provides new construction with a very attractive site plan. Please do not let the perfect become the enemy of the good. This is the best that they think they can do at this point. Please do not say that because it is not perfect therefore it is not worth pursuing.

Ald Brian Solomon (District #10) was present for any questions or discussion. Ald. Solomon was elected in April and was not part of Council when they bought these properties. He inherited this vast amount of land and buildings that were getting vacated as time went on and most of the neighbors had lost hope that anything was going to be done. Ald. Solomon made the neighborhood a pledge that he would do everything he could to get it moving forward on this project. There was a lot of excitement at the beginning at the prospect of moving forward; however, when they first brought plans and ideas to the neighborhood, there was a lot of frustration and opposition to what they saw. They did not think that their needs and some of the things they wanted to see, the number of three-bedroom units, affordability, community space, transitional design that did not completely separate this project from the rest of the neighborhood, were met. This will look a lot different than the rest of the neighborhood. They wanted a way to make the home ownership and the rental portion in agreement with each other so there was not separation. They wanted to protect green space and places for children to play. They wanted extra amenities for these apartments, things like extra parking and things that helped move this forward in a positive way from a design standpoint.

There are many other things that they have to do to Allied and a housing project is not the answer by itself. They need to deal with job training, child care issues, and transportation issues as well. There was a lot of hope that this project would be the start of the revitalization of the Allied area. With 20-30% vacancy rates and landlords going under on a regular basis in the Allied area, there is something to be said for a positive momentum shift and for things to move forward positively.

In the beginning, there was a lot of opposition to this and they did not feel that a lot of their needs were met. Through the Task Force, the neighborhood association and ongoing meetings in the community, and through various conversations with them over the past six months, things have taken a 180 degree shift. What you see tonight is very different than the initial proposal drawn up six months ago. The community feels they were engaged, active and vocal in helping to draw up these plans, and they feel like they have been listened to. When Ald. Solomon met with the community this past Saturday and presented the most recent design information to them, the community made a motion as a neighborhood association to accept this plan. It was unanimously accepted and then they broke into a round of applause. For those familiar with low-income, highly minority neighborhoods, for a re-development project to get that kind of a response is a big deal. They feel that they have been listened to and that their needs for affordability are being met. Alice Howard, the President of the Neighborhood Association, was quoted today in a construction and trade journal paper saying she has been in the neighborhood for 20 years, and active in the neighborhood for 20 years, and she has seen lots of people come and go. She has seen the City come in and make lots of promises and say lots of things and

nothing has ever happened. This is about something finally happening and following through on a commitment that they have made to this neighborhood in a positive way.

Mark Olinger wanted to present three or four major items and then talk about the findings. He was going to discuss how they started, the phasing, the bedroom mix and unit size, and then at the end he would pull it together and would have Tom Landgraff talk about the financing for the low-income housing tax credit application.

Mr. Olinger had two boards to show how the design development has emerged on the project. One of the Resolutions was adopted authorizing the City to move forward with negotiations with the CDA and there were a couple of elements in there that needed to be done. One of them, was that at least two meetings with the neighborhood had to take place. The first meeting, held December 16th, offered two plans to the neighborhood and gathered feedback from them. They were shown these two plans, Plan A and Plan B. The numbers of units are a little different and the format is a little different, but fundamentally there were three big items:

1. Some connection to the City of Fitchburg,
2. How to handle the relationship between the Boys & Girls parking lot access into the site, and
3. The mix they wanted to have on site as related to bedrooms and units.

At the same time, they understood as they went through the neighborhood housing market study, they did not want to be a project that competed with the other low-income housing tax credit projects in the neighborhood. There are five/six other low-income housing tax credits in the neighborhood (Prairie Crossing, Nakoma Heights, Avalon Madison Village).

After discussion, they came up with the site plan that has approximately 109 units, (presented to the neighborhood on Monday, January 7th). The idea was to create in Phase 1, five buildings that would accommodate approximately 48 units of housing and meet a lot of other requirements that the neighborhood has spoken about. The neighborhood said they wanted to have some space to call their own, more direct entry into units, green space, and they wanted something that would look and feel different. They wanted to keep the fundamental form of this site plan.

There were a couple items that came out of this meeting. One of the ideas that emerged was about the yard. The people wanted a front yard. Everybody in this building/project who has a yard, has a minimum of a 20' front yard, which is dramatically different than what the people have in the neighborhood right now. The City decided to give space back to residents. To the fullest extent possible, everyone has a front door and everyone has 20'. The City also wanted to provide opportunities for internal green space for kids. There are two tot lots and one of the tot lots is in the first phase. The distance between the backs of the units is 80' face-to-face, 20' for the yard and 40' in the middle. The last thing that the residents spoke about was providing as many opportunities for people to park off the street as possible. Allied Drive currently has no parking and historically that has been a problem. Adequate parking is provided through garages and underground parking because they did not want to have to figure out how to undo something 15 – 30 years later. The parking should meet the needs of the

existing residents now and into the future.

There is a three-story building and a two-story building and what they wanted was to create a number of units that would not directly compete with the other low-income housing tax credit project in the neighborhood. There are 47 rental units at Prairie Crossing, all are two bedroom, one bath. We do not have any two bedroom units in this project. They wanted to create an opportunity for a different mix of units and handicap accessibility. These are two elevator buildings and every unit in the building is accessible via elevator. There is an accessibility factor to this project that other projects in the neighborhood do not have.

This has been a very fluid process, going over number of units and bedroom mix, and this is how they came up with the bedroom mix of 48 units. Building A is 18 units with a management office and 19 underground parking stalls. Building B has 13 units, community spaces, and 12 underground parking stalls. One of the issues that people caught on Monday night was at that meeting there were some 3-bedroom units in this building, particularly on the first floor. As they have adjusted that plan, all of the 3-bedroom units have come out of the two buildings and have gone over to the townhouse units. The townhouses face the lot, have their own yards, and in some cases they have a backyard. All of these are 2-bedrooms with dens and a few studios.

There are thirteen 3-bedroom units are in the project. That is the number that WHEDA will look at in the low-income housing tax credit application. It is actually one over the maximum of 12. The 2-bedroom with a den is considered different for scoring purposes, but may count with regards to family size. There are 13, 2-bedroom with a den. So 26 of the 48 units in the building are part of 2-bedroom plus.

Mr. Olinger presented caricature sketches of some of the projects Eppstein Uhen has done to give people a sense of what it might look like. They are going to try to save the existing trees based on concerns raised by residents.

Another issue is phasing and what happens to the building and current tenants on the property. The CDA is the master developer and the infrastructure costs in the two phases will be handled by the City of Madison. The 2008 Capital Budget has \$2.2 million for capital improvements, demolition and grading costs to help make the first phase happen. None of this money came out of the Affordable House Fund. Under Phase 1, the estimate includes all of the rough grading, installation of utilities, etc. Phase 1 does not include taking out two of the three Birch Hill Square buildings as it relates for tenant relocation purposes. There are presently 32 households on the site. There are 18 who live in properties other than Birch Hill Square. There are approximately 13 at Alpine Lodge, and 5 in one of the other buildings. As buildings became empty in this project, they shut them down. There are still residents in two of the three Birch Hill Square buildings. The 18 residents who live elsewhere on the site will be moved into Birch Hill Square. By amazing happenstance, they are going to be able to move everyone from their unit to a like unit.

The deadline for the WHEDA tax credit is February 1, 2008. A response will be received by mid April if they have an initial award. Everything must be firmed up within 90 days after that, which is the middle of July, and by the end of 2008, 10 % of the tax credit allocation must be spent. To allow enough time, the last date

they can make an application is April 16, 2008. The preferred date is April 2nd.

All streets are City streets and are built to City standard with a 60' right-of-way, with the exception of one street that has a 50' right-of-way.

Tom Landgraff gave a presentation on the low-income housing tax credit, which is critical to this project.

On a market rate standpoint, if you are going to rent these units without any governmental financing, there are two main sources of capital, developer's equity and borrowed money. It is usually 20% equity and 70 – 80% debt.

This is a for-profit development so there are costs for taxes, common areas, management fees, trash and snow removal, etc. If they get rid of the debt, then the rent amount drops significantly. They did not change anything with building, the interior, underground parking, etc. because they financed the cost a different way. The low-income housing tax credit substantially replaces the debt. The key is they are not building a cheaper building; they are financing it differently without making the buildings cheaper. If they put enough money into up front, it will stand the test of time and be better quality for the residents.

If the City gets the low-income housing tax credit, and the tenant is on a Section 8 voucher, the tenant could end up only paying \$50 - \$60/month + utilities to live in this quality and size apartment. This is with virtually no income.

The low-income housing tax credit is allocated nationally to each state based on population. Wisconsin receives approximately \$2.00 per year for each state resident, which works out to approximately \$11 million per year. WHEDA usually has three times the number of applications for what is available. Federal law requires that the allocating agency in every state tell the agency what is required to get the tax credits. Each application should meet their criteria on the Self-Scoring Exhibit and the Qualified Application Plan (QAP). WHEDA shows you the answers you should have to get the perfect score. The City of Madison is structuring the low-income housing tax credit application to show everything that Madison has to offer so that it will pass and Madison will receive the low-income housing tax credit.

The total cost of the buildings the City is going after is approximately \$8.3 million. This number will probably change. \$6.3 million of the \$8.3 million is the value of the low-income housing tax credit. The City will need to keep this \$6.3 million for 15 years to make this work. The City is also applying for a grant from the Federal Home Loan Bank of Chicago. They also have point-scoring criteria and to max out on their points, based on the development concept the City has, we should be able to receive approximately \$250,000.

The City owns this land and an allocation for a portion of land under the building is assigned to Phase 1. Another interesting thing to keep in mind about the low-income housing tax credit is that the tax credit is significant because to get that \$6.3 million, we apply for tax credits to WHEDA and WHEDA gives a piece of paper called a reservation. That reservation is a fungible document and we can sell it in the tax credit marketplace. We sell the reservation to a for-profit entity and get \$6.3 million. The for-profit entity pays Federal Income Tax and when they buy the reservation they can staple it onto their tax return and not pay Federal Income Tax to the equivalent of \$6.3 million.

\$8.3 million of total costs, \$6.3 million of equity that the City gets from selling the credits, \$250,000 of Federal Loan Bank grant, an allocation of the land of about \$230,000, which gets the total down to \$1 million – \$1.5 million in mortgage. We took the debt from \$17.5 million in debt down to \$1.5 million, which is the piece they are working on solving now. There will be some bank debt, some deferred developer fee from the CDA, and some from home funds. However, this is still being worked out.

This is still a real estate development so you cannot go out and build everything all at once.

The WHEDA website has all of the point-scoring information. www.wheda.com There are two big categories for scoring. The first is financial participation, which is financing coming from a below market financing source. WHEDA believes that the more below market financing you can put in the deal, the better it gets. They give big points for that. The only applicant who can garner the maximum set of those points is an applicant that is sponsored by a governmental entity, a housing authority such as CDA. The second piece is long-term control. The land will be owned by the City and the CDA, so that the market value does not drop due to the way owners take care of the property.

The City is trying to make this development “green” with good building and energy efficient items for both the long-term and for the low-income residents who would have to pay for the utilities.

If the City does not get the \$6.3 million in low-income housing tax credit, then it goes out to RFP in 2009. This is one of the requirements of the adopted Resolution.

If you look at the point-scoring, there are points for special needs populations. The City has been looking at people who live in the neighborhood and would be more likely than not to be the first occupants. The City is looking at what services tenants may already receive from a myriad of service providers that are in the Allied neighborhood, the school district, City of Madison, Dane County, YWCA, Second Chance, etc. If we can match up these services, then we can get points for that as well. There is a possibility that some of the units may be set aside for people with severe disabilities or people who use other services.

Questions by the Housing Committee:

Ald. Konkel asked for clarification on the median income numbers. Mr. Landgraff indicated that 50% of the units are going to be at the current County median income and rent levels, 30 – 40% County median income. Ald. Konkel stated that they did not have a slide in their packet about affordability. It was stated that 12 of the units will be at 30% and 11 will be at 40% - that is affordable straight-up at those levels, notwithstanding the utilization of Section 8 Vouchers.

Landgraff stated that it is the County median incomes for someone at 30% for Dane County, this includes utilities. So, you just assume the utilities are \$100 per month, which means you take \$100 off of the number provided now and that is the cash rent. For the efficiency, it is \$387, including utilities, and then take \$100 off of that. The 1-bedroom is \$414, the 2-bedroom is \$497, and the 3-bedroom is \$574. For example, on the 3-bedroom unit, the cash rent price would be \$474 for

somebody without a Section 8 Voucher, to rent a 1,300 sq. ft. unit, with the underground parking.

Ald. Konkel asked if the 1,350 sq. ft. unit counts the same as the 1,200 sq. ft. unit. Mr. Landgraff answered that it depends on who the occupant is. If it is a family that is qualified for a 2-bedroom apartment, that happens to be living in a 2-bedroom + den and it is rented as a 2-bedroom, then it would go as the 2-bedroom. If it is a family that is large enough to be in the 2-bedroom + den and qualifies as a 3-bedroom, then it would go at that level. If there is a Section 8 Voucher assigned to it, the numbers that were just given go away because then somebody pays 30% of their income and the HUD program is the difference between the number given and what they are paying.

Mr. Porterfield asked how much the HOME funds would be? Mr. Landgraff indicated that they would rather not put any home funds in as there are more strings attached. What is the plan if the City does not get the money from the Federal Home Loan Bank? Mr. Landgraff indicated the plan is to keep on applying until the City gets it. One of the big categories the City will get points on is the "empowerment" category with WHEDA. This is usually a tough category for people to get points on. That goes to the services that will be available. Based on how the City scores on this, they feel pretty good about it. Mr. Porterfield's last question was if there are a number of units set aside for people with disabilities. The answer was no. The WHEDA special needs scoring allows the City to use a number of categories.

What is affect on Prairie Crossing? Only 9 of these units are 2-bedroom so as not to compete with Prairie Crossing. The City is trying to prove to WHEDA that this is not just another rental project. Mr. Olinger indicated it is a rental project that is part of an overall redevelopment strategy that includes a rental component. There will be subsequent phases here and we really believe that part of the challenge with all of the apartments in this neighborhood is still the image and the lingering affects of the unrest that has occurred in that neighborhood over time. If we get this fully occupied, we begin changing people's attitudes about Allied. That will then affect the stability of the other existing units in the neighborhood. There has been capital flight and Section 8 flight from this area and this will hopefully stop that and get a good stabilizing body in the neighborhood.

Mr. Munson asked about the timeline. Since it is very tight, what is the target occupancy date, working the timeline backwards? The goal is occupancy in the third quarter of 2009. The City would not do any demolition until certain that we have the credits and this is indicated in the Resolution. Demolition would be around the end of this summer.

The usual cost for demolition is \$5,000 per unit. If the City reclaims and recycles items during demolition it could save some money.

Ald. Konkel was confused by what is being approved for this Resolution and is frustrated. She cannot tell if they are hitting the goals because they do not have the numbers or figures to make this work. She cannot tell if this is a good project if they do not have the information. How many Section 8's are there going to be in this development? She wants to vote for project but does not know at this point what she is voting for based on the information. How many units at what percentage level? It would take hours to go through all of the questions. What

about undocumented people? She has not seen the information or market studies. Ald. Konkel thinks the Resolution is incomplete to vote on at this point.

Mr. Munson is playing catch-up because he is new with the Housing Committee. There have been a lot of changes and new information and this is a moving target. He still has questions because of the changes and is struggling to understand what the Housing Committee is being asked to do tonight. Can any items be separated out to deal with instead of doing the entire thing so that they can get their heads around the numbers and then deal with the concept plan as a separate item? Can they just focus on the WHEDA application tonight and then go back to the concept plan at a later date?

Chair Hirsch pointed out the time at 6:52 PM and asked if people could stay to keep quorum because a vote must take place on Resolution 08380. He also asked if they were going to get through the entire Agenda as people were registered to speak on Ordinance 07615, referred back from the Landlord & Tenant Issues Subcommittee.

APPROVAL OF MINUTES

This item was referred to the next meeting.

PUBLIC COMMENT

None.

COMMON COUNCIL UPDATE - Konkel/Judge

This item was referred to the next meeting.

NEW BUSINESS

Welcome David Porterfield, the new Housing Committee member. Mr. Porterfield has been involved in affordable housing for almost 30 years. For the past 18 years, he has worked at Wisconsin Partnership for Housing Development. He is no longer there and is now working independently in a new direction. He has known a lot of the Committee Members for a long time. He feels good to be a part of the Housing Committee and hopes to make some contributions.

2. [08592](#) Annual Election of Chair and Vice Chair

A motion was made by Sparer, seconded by Konkel, recommending that Tom Hirsch continue to serve as Chair of the Housing Committee in 2008. The motion passed by voice vote/other with Chair Hirsch abstaining.

A motion was made by Judge, seconded by Porterfield, that David Sparer serve

as Vice Chair for the Housing Committee in 2008. The motion passed by voice vote/other with Chair Hirsch abstaining.

3. [08593](#) Subcommittee Appointments

Please contact Meg Zopelis to advise if you are going to be on a subcommittee. You can attend a subcommittee meeting even if you are not a regular member. Subcommittee designations confirmed at the meeting:

Konkel – Landlord & Tenant Issues and Affordable Housing
 Rutten – Affordable Housing
 Judge – Landlord & Tenant Issues
 Brink – Landlord & Tenant Issues and Affordable Housing
 LeTourneau – Landlord & Tenant Issues
 Day – Affordable Housing
 Porterfield – Affordable Housing
 Sparer – Landlord & Tenant Issues
 Hirsch – Affordable Housing
 Ejercito – Landlord & Tenant Issues
 Munson – Affordable Housing

Ms. Zopelis will contact members not present to confirm the subcommittees they will be on and confirm with Hickory Hurie who is on Affordable Housing Subcommittee.

4. [08594](#) 2008 Goals Discussion

Attachments: [Goals Discussion 2008.pdf](#)

This item was referred to the next meeting.

1. [08380](#) AMENDED SUBSTITUTE - Authorizing the Mayor and the City Clerk to execute a Cooperation and Development Agreement with the CDA for the Redevelopment of the Allied Drive Neighborhood.

Attachments: [Memo/Strategy.pdf](#)
[Maps.pdf](#)
[Map 011008.pdf](#)
[Allied Neigh Rev Phase 1-2 Plans 10.08 cda](#)
[Allied Drive Redevelopment 1-8-08- REV-SVA \(version 1\)](#)
[Allied Drive Redevelopment 1-8-08- REV-SVA \(version 1cash flow\)](#)
[Allied Drive Redevelopment 1-8-08- REV-SVA \(version 1cost 1\)](#)
[Allied Drive Redevelopment 1-8-08- REV-SVA \(version 1cost 2\)](#)
[Memo Allied Statement Framework Phase 2 1-14-08](#)
[Memo File 08380 1-14-08](#)
[AlliedPhase2Report022708.pdf](#)
[08380 Registration Stmt.pdf](#)

A motion was made by Sparer, seconded by Brink, to Return to Lead with the Following Recommendation(s) to the BOARD OF ESTIMATES, Recommendation for Approval with the following Amendment:

That the Phase 1 and Phase 2 properties be conveyed per the Resolution, but that information regarding the

detailed elements of the WHEDA Application be made available in final form to the Council for consideration as part of the entire project on January 22, 2008, and that the concept plan and elements of Phase 2 be clearly defined and brought back to the Housing Committee prior to submittal of the General Development Plan Re-Zone for the entire property, with all relevant data describing ownership, unit counts, bedroom counts, AMI, storm water management, right-of-way, streets, parks and everything else that has to be defined in the General Development Plan.

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Amendment:

That the Phase 1 and Phase 2 properties be conveyed per the Resolution, but that information regarding the detailed elements of the WHEDA Application be made available in final form to the Council for consideration as part of the entire project on January 22, 2008, and that the concept plan and elements of Phase 2 be clearly defined and brought back to the Housing Committee prior to submittal of the General Development Plan Re-Zone for the entire property, with all relevant data describing ownership, unit counts, bedroom counts, AMI, storm water management, right-of-way, streets, parks, and everything else that has to be defined in the General Development Plan.

Ald. Konkel had sent a number of questions about this project and did not hear many of the answers she was expecting to hear. She is really disturbed that they do not have the affordability numbers; they do not know how many of the units are affordable, what bedroom ranges, and all of that stuff. One of the items that was important that it went back to them was because they were supposed to get this information. They put up some slides at the presentation on Monday night and the information disappeared. She does not know how many different ways to ask the question and be able to get how many bedrooms at what percent are going to be affordable? What are the amounts going to be? She has some numbers but they are all wrong and she is very confused about what they are approving at this point. She is very frustrated because that was the whole point of doing this, so that they would know how affordable units would be. When she looks at what the Allied Drive Taskforce recommended, and this is what was passed at the Council, she cannot tell if they are hitting the goals or not because she does not have the information. She wants the project to move forward but she does not want to vote for it if she does not know that they are voting for a good project. She has been to a lot of meetings and he answers/numbers keep changing. She does not feel they are ready to vote on this and they should have a special meeting to be able to get the answers. What about undocumented people? Who is actually in these units? Do we have the affordability mixes so that every one of those 31 families that are currently in those buildings will actually be able to live in these buildings or not? What income levels are they at? Do they fit within these criteria that they have? They haven't seen the market studies. Who is going to do the services that are connected to the building, and who is paying for it?

Mr. Munson is struggling with it because he came in at the end and is trying to play catch-up. Going back to the concept, he thinks there has been some market improvement within the last 24 hours, and that has been part of the challenge of this. It has been a moving target, there has been a lot of new information, and almost every time you look at the website there is a new map. There is more information that is becoming available, which is good. Mr. Munson thinks the concept has progressed positively in comparison to what some of the earlier

concepts had, but there are still embedded questions within that. He is struggling with what the Housing Committee is being asked to approve tonight. Is it a WHEDA application so they can move to the February 1st deadline, which is an important deadline and can enable the project to move forward? How much of that can they separate out and focus on from the concept and the physical of the building designs, concept plan designs, Phase 1 design, Phase 2 design? If they can look at the first obstacle/hurdle to overcome, the WHEDA application, and then maybe deal with the concept plan as a separate item, that might help solve things tonight. It seems like to take it all as a whole and do the whole thing tonight is a lot. He has a lot of concerns on the concept still. While they are minute details, they are big details because they are all cost related. It seems like there is development still happening on the concept plan. So what can they approve tonight and what do they have the information for?

Mr. Sparer wants to be sure that they do not prevent this from moving forward and have it affect the neighborhood negatively. They owe it to the neighborhood to do something as big deadlines are coming up very fast. Mr. Sparer is influenced by what Mr. Levitan said about not rejecting "pretty good" just so that we can keep working in it being perfect. Maybe the Committee can say it has to have a certain mix of affordability and so many units have subsidy and Section 8, and that is a requirement. This would go to the Council and it would provide the Housing Committee's ideas on what should be in there. He would suggest focusing on what couple of extra things they want to add on there, and then vote for it.

Ms. Day is concerned about trying to micromanage these numbers to the point that it makes it very difficult, if not impossible, for the people doing the tax credit applications and the Federal Home Loan Bank applications to do what they have to do to maximize the points they get on those applications and be successful with them. The truth is they are very close to what our goals are. The guidelines for both of those applications are very close to what our goals are so she is concerned with trying to micromanage that.

Mr. Brink thinks an important factor is that they need to move along so that they do not hold that part up and move towards the application to WHEDA. The other important factor is whether they want to attach the unit mix, etc. When it comes to the 22nd meeting, that is where the rubber is going to hit the road, but they do not want to wreck anything else. The positive things about this here, is that we are getting 30% units and we are getting 40% units and we worked hard to get the project-based Section 8 there. You have a whole different community because the density has dropped a great deal there. Also, if you can stabilize the neighborhood going forward, that is important. He thinks that they should move forward with the WHEDA application, and then specifically talk about what the members of Council will want to get this approved to move forward. How does it become a win/win? If this gets delayed a year, it will devastate that area because there is no other money any place else. Brink does not want to hold up the WHEDA application.

Chair Hirsch works with Mr. Landgraff professionally, but not on this project. Knowing the power of the financing, this is not an opportunity that should be passed by. He hopes they can get this issue resolved and get comfortable with it. We can have concerns about it, but do not stop the whole thing because of those concerns. We can have more discussions about other aspects of the project a little later, at the committee level or subcommittee level.

Ald. Konkel wants to see the numbers/information to make a decision. Only 10% of the units will be at 30% of AMI or less, if she understood correctly. If there are only 12 units that have 30% AMI, and there are 100+ units in the project, it is only 10%. The Allied Drive Task Force recommendations were 25-35% so we are not hitting that goal. The other goal that is not met is the number of 3-bedrooms that they asked for. They asked that they be substantially increased. Right now, there are 80, 3-bedroom rentals there that are being torn down and we are going to end up with 27? It has changed 100 times and if we count the 2 + den or not. That is a substantial decrease.

Day & Brink think Phase 1 looks good to meet goals, and Chair Hirsch thinks the Council should be able to deal with this on the 22nd.

Mr. Porterfield indicated that all bodies approved going after the tax credits. The information continuously comes up and it is almost impossible to give a final set of numbers to make this work. He is not surprised that they do not have numbers because of knowing the situation and how it works. It is a very ambitious timeline and it might be possible to make it if this goes through. The biggest factor is going to be getting the zoning in place in time.

Mark Olinger stated that WHEDA has been asking about the whole project/site and not just Phase 1. There is a huge concern if you break it down to just Phase 1. Mr. Olinger again went over the project-based vouchers and County median levels.

Ald. Solomon reiterated what Mark Olinger said and indicated that the Task Force is comfortable with this. There is another Task Force meeting tomorrow night. The Task Force voted on having 67 – 75% of the units being Section 8 and it passed unanimously. Site ownership of Phase 2 is an important part of the tax credit application with WHEDA.

Mr. Landgraff clarified what is on the WHEDA tax credit application. It does not require an absolute submittal of something like this that says this is what you are going to do. You need to have site control, talk about the number of units, talk about the mixes, and talk about the affordability. They understand that the plans are not finalized. You can give back a tax credit if the project does not move forward. The rental concentration is in Phase 1, and ownership is more Phase 2.

Munson stated that if not conveying the property is going to hurt the WHEDA application, the Housing Committee should think very seriously about that. He does not want to hurt the WHEDA application. He would like to make a notation that the concept plan for Phase 2 still has some adjustment needed and the numbers that say exactly what Phase 2 is. He wants more information for Phase 2.

Chair Hirsch addressed Mark Olinger stating that the Housing Committee has never been involved in a specific land use development the way they have been in Allied Drive. The Housing Committee has done this largely in response to being looked to by the Allied Drive Task Force as housing smart, whereas they are more of a citizen body, and the Housing Committee has been asked by the Plan Commission at various points to also render opinions because of the time spent on housing. Chair Hirsch thinks that Mr. Olinger is doing everyone a disservice if he does not give us the information and does not work with the

Housing Committee to develop these plans and develop Phase 2. There are committee members who have spoken with Chair Hirsch individually with serious reservations about what is being shown so far, but they are not ready to discuss it tonight and they are trying to get the Phase 1 application up and out. Chair Hirsch hopes there is time for dialogue and invited Mr. Olinger to the Affordable Housing Subcommittee, where some of these people will be seated around the table, to spend some time looking at Phase 2 and to listen to some of the criticisms and questions about it. He thinks sooner would be better.

Mr. Olinger thinks the motion by Munson is perfect. He is also happy to have discussion on Phase 2, after they get the Phase 1 application in.

The motion passed by the following vote:

Absent: 2 -

Victor E. Villacrez and Detria D. Hassel

Excused: 3 -

Howard Mandeville; Judith M. Wilcox and Rose M. LeTourneau

Ayes: 8 -

Brian A. Munson; David C. Porterfield; Susan K. Day; Philip P. Ejercito; Tobi L. Rutten; Curtis V. Brink; David R. Sparer and Eli Judge

Abstentions: 2 -

Brenda K. Konkel and Thomas E. Hirsch

ROLL CALL

Present: 10 -

Brian A. Munson; David C. Porterfield; Brenda K. Konkel; Susan K. Day; Philip P. Ejercito; Thomas E. Hirsch; Tobi L. Rutten; Curtis V. Brink; David R. Sparer and Eli Judge

Absent: 2 -

Victor E. Villacrez and Detria D. Hassel

Excused: 3 -

Howard Mandeville; Judith M. Wilcox and Rose M. LeTourneau

UNFINISHED BUSINESS

5. [07615](#) SECOND SUBSTITUTE - Amending Sections 32.07(5), (7), (9) and (14) of the Madison General Ordinances to require landlords to obtain, maintain, and provide or make available, upon request, photographic evidence of damage, waste or neglect being charged against a tenant's security deposit.

Attachments: [4267photo1stVersion.pdf](#)
[4267photo2ndVersion.pdf](#)
[2ndSubstituteDrafter'sAnalysis.doc](#)

A motion was made by LeTourneau, seconded by Ejercito, to refer the Landlord & Tenant item on the Agenda to the next Housing Committee meeting. The motion passed by voice vote/other with Chair Hirsch abstaining.

6. [08322](#) Economic Development Listening Sessions

Attachments: [Economic Development Listening Sessions](#)

REPORT OF SUBCOMMITTEES

7. [08595](#) Landlord & Tenant Issues Subcommittee

This item was referred to the next meeting.

ADJOURNMENT

The meeting adjourned at 8:01 PM.