

**2007 STAFF REVIEW OF PROPOSALS FOR
COMMUNITY/NEIGHBORHOOD DEVELOPMENT RESERVE FUNDS
(Housing Development Funds, Affordable Housing Trust Funds, Facility Acquisition/Rehab Funds, Futures
Funds)**

1. **Project Name/Title:** Center for Economic Development
2. **Agency Name:** Urban League of Greater Madison (ULGM)
3. **Requested Amount:** \$150,000
4. **Project Type:** New or **XX** Continuing

5. **Framework Plan Objective Most Directly Addressed by Proposed Activity:**

K: Capital facilities (Agencies with capital facilities serving LMI households)

6. **Product/Service Description:**

ULGM provides services to help close the racial gaps in education, income, homeownership and business ownership. They plan to build a Center for Economic Development to house their administrative offices and expand their programs in the areas of workforce development and business development.

7. **Anticipated Accomplishments (Numbers/Type/Outcome):**

90% of the people served by ULGM are low income. In 2007, 52% were African American; 18% White; 15% Latino; 8% multi-racial, 5% Asian American and 1% Native American. In the first five years the Economic Development Center is expected to help 2,000 unemployed and underemployed adults secure new and better careers.

8. **Staff Review:**

The ULGM will construct a 36,000 sq. ft. facility that will house a Center for Economic Development and Urban League administrative offices. Approximately 12,000 sq. ft. will be sold to the South Madison Public Library and 10,000 sq. ft. will be leased to Planned Parenthood.

The Commission previously approved \$300,000 in CDBG funds for this project with the understanding that an additional \$150,000 would be available once a site was secured. At this time ULGM is in final negotiations with the CDA for property at the Villager Mall and needs to secure the remaining \$150,000 so construction can begin in a timely manner.

The original approval called for the funds to be available through May 2008. Delays in development of the Villager have delayed this project. It is now anticipated that construction will start by the end of 2008 and be complete in 2009.

Total Cost/Total Beneficiaries Equals: $\$7,229,645/2000 = \$3,614$ (ULGM clients only)

CD Office Funds/CD-Eligible Beneficiaries Equals: $\$450,000/2,000 = 225$

CD Office Funds as Percentage of Total Budget: 6%

9. **Staff recommendation:**

Waive the framework maximum of \$150,000 for acquisition/rehab. projects and approve the additional \$150,000 in CDBG funds that have been set aside for this project. Funds will be provided as a long term deferred loan under the terms of the 2007-2008 program framework with repayment equal to the original loan plus a share of appreciation. The anticipated completion date for the use of all CDBG funds is extended to December 31, 2009.

Technical and Regulatory Issues	Project information
Within unit, capital, mortgage limits	Yes
Within Subsidy layering limits/ analysis	Yes
Environmental Review issues	EA to be completed
Eligible project	YES
Conflict of interest	Conflict between board and contractor resolved by HUD
Church/State issues	NO
Accessibility of program	OK
Accessibility of structure	to be determined
Lead-based paint issues	No
Relocation/displacement	No
Zoning restrictions	No
Fair Labor Standards	Yes
Vulnerable populations	No
Matching Requirement	NO
Period of Affordability for HOME funds	NO
IZ Enhancement Benefits or issues	No
Supplanting issues	No
Living wage issues	No
B.A.D. building process	No
MBE goal	Yes for construction
Aldermanic/neighborhood communication	OK
Management issues:	No