

2005 WORK PLAN COMMUNITY DEVELOPMENT AUTHORITY OF THE CITY OF MADISON

Approved By the CDA on June 9, 2005

The Contract for Services, Materials, and Equipment between the City of Madison and the Community Development Authority of the City of Madison (CDA) executed in July 1981 and amended in May 1990 specifies that the Mayor and the CDA shall prepare an Annual Work Plan. The purpose of the Work Plan is to prioritize the programs and projects that the CDA will administer or oversee in 2005. The CDA has two functional areas: Community Development and Assisted Housing. The Annual Agency Plan for Assisted Housing was approved by the CDA and subsequently submitted to HUD In October 2004.

The 2005 Work Plan continues to promote the major themes that the CDA has been pursuing for the past several years. These primary themes are an emphasis on (1) redevelopment initiatives in the downtown and South Madison; (2) improvement of the housing stock and increased owner-occupancy in the Isthmus and West Broadway Redevelopment Area; (3) spot blight removal in neighborhoods; and (4) increased housing choices for lower-income households. Listed below are the year 2005 priorities for the CDA's two functional areas.

COMMUNITY DEVELOPMENT

Redevelopment

- **Allied-Dunn's Marsh Neighborhood:** The City acquired the former Super Saver site using TIF funds and entered into a purchase agreement with Gorman & Company to develop a 104-unit Section 42 Tax Credit rental housing project. The CDA may be requested to get involved through its redevelopment powers or administration of loan and/or TIF-funded grant programs to assist efforts to revitalize or redevelop additional commercial sites and rehabilitate, enhance, redevelop or remodel the housing in this area.
- **Badger-Ann-Park Street Redevelopment District Committee:** The CDA acquired the Villager Shopping Mall in December 2004. New market tax credits were used to finance the acquisition. The CDA issued a RFP for a property management company and Siegel-Gallagher was awarded the property management contract. Siegel-Gallagher will work with the CDA to stabilize the current tenant and rent structures, develop and submit to the CDA for approval an operating budget for the remaining calendar year 2005 and a management plan for the property. The CDA will create a redevelopment district for this area in 2005 that will serve as the trigger for attachment of Town of Madison properties into the City of Madison per the attachment agreement signed between the parties and the City of Fitchburg. The CDA will work with the team of Kubala Washatho Architects/Vandewalle Associates/Strand Engineering to prepare a Master Plan for the Villager Mall into 2005. Also, the CDA may pursue housing initiatives in the Badger-Ann-Park Street area in 2005.

- **East Washington Redevelopment District:** The CDA will create a redevelopment district in the 800 Block of East Washington Avenue to facilitate a proposed 309-unit mixed-use development. The district will authorize the CDA to acquire by negotiation or condemnation an easement and lease for an outdoor advertising sign. Upon creation of the redevelopment district the CDA will adopt a relocation order and issue an RFP for the proposed development. A development agreement will be executed between the CDA and the developer that will indemnify the CDA for its acquisition costs.

The City of Madison will create a TID (Capitol Gateway Corridor) in 2005 that will include this redevelopment district.

- **Todd Drive-Beltline Redevelopment District:** The CDA created a redevelopment district in 2004 for this area to advance the development of commercial, office and/or housing within the district. In 2005, the CDA will focus on improving the conditions of the rental units and promoting opportunities for affordable homeownership housing in selected areas. In 2005 the CDA will adopt a relocation order to authorize the acquisition of certain properties to facilitate an office/retail development and housing condominium conversion on the southwest corner of the Todd Drive/Beltline intersection. Upon adoption of the relocation order the CDA will issue a RFP requesting proposals for the development of this corner. A development agreement will be executed with the developer that the CDA selects which will commit the developer to indemnify the CDA for the acquisition costs of acquiring parcels using its condemnation powers.

The City of Madison will create a TID (Todd Drive) that would include this redevelopment district.

- **Mid-State Street Redevelopment District:** The CDA will create a redevelopment district to facilitate the development of the air rights above the proposed Mid-State Street below ground parking ramp. The district is within TID# 32 (Upper State Street).

Neighborhood Revitalization

- **Madison Capital Revolving Fund:** The 2005 Capital Budget includes an authorization of \$600,000 for the Capital Revolving Fund and \$125,000 for the Façade Improvement Grant Program. The CDA will pursue pending projects and other development proposals generated during the year, as long as funds are available. On February 3, 2004, the Council approved the revised Objectives and Criteria for the Façade Improvement Program, which converted the Program from a loan program to a grant program. During 2004, eight (8) grants were awarded, totaling \$90,342. The CDA will continue to administer the Façade Improvement Grant Program in 2005.
- **Monona Shore South Site:** In 2003, the CDA executed an Option to Purchase this site with Carl Ruedebusch (“Developer”). The Developer closed on the property in June 2004. Under the terms of the Option the CDA carried a one-year note on the property with a balloon payment of \$499,689 due June 3, 2005. There was a partial release given

in August 2004 to allow developer to sell portion of site for a restaurant. The restaurant opened in March 2005. The developer continues to market the remainder of the site.

- **Lake Point Condominium Property:** In 2004, the properties at 1814 West Broadway were demolished to facilitate the construction of twenty-six (26) new condominiums and the renovation of the adjoining twenty-four (24) unit apartments to condominiums. In 2005, the Offer to Purchase will be executed and the vacation of West Broadway and all the necessary land use approvals will be obtained. Construction will begin in June 2005.
- **West Broadway Neighborhood:** The West Broadway reconstruction was completed in the fall of 2004. The CDA will be implementing the design recommendations for all private/public properties on both the North and South sides of Lake Point Drive from its intersections with Hoboken and Weber Roads. The CDA will also be exploring the concepts for the potential redevelopment of the properties on the south side of Lake Point Drive between the Lake Point condominium property and Hoboken Road.

Housing Finance and Rehabilitation

- **Residential Rehabilitation and Home Purchase Assistance Programs:** The CDA will continue to administer the Deferred Payment, Installment, Rental Rehabilitation, Homebuyers Assistance, and the Home-Buy Down Payment Assistance Loan Programs. The CDA will receive 2005 Federal HOME Program funds for rehabilitation activities and State Division of Housing funds for down payment assistance.

The demand for Homebuyers Assistance loans has significantly declined in recent years largely due to a shift in the housing market and the emergence of other competitive programs. In early 2005, the CDA will review the Homebuyers Assistance Program for possible changes.

- **Home Buyer Fair:** The CDA co-sponsored the successful 6th Annual Home Buyer Fair in 2004 and will continue to promote the Fair in 2005 (April 30, 2005).
- **Rental Housing Revenue Bond Program:** The CDA will continue to issue tax-exempt rental housing bonds, as requests are submitted, which meet the CDA's criteria.
- **Affordable Housing Projects:** In 2005, the CDA will be a major player in implementing the Inclusionary Zoning Policies and may pursue or be asked to assist several potential affordable housing projects. The Monroe Commons site, a mixed-use owner-occupied project at 120 South Fairchild Street, and moderate-income housing in the First Settlement Neighborhood, may move forward in 2005. The CDA will continue to implement the Section 8 Homeownership Program in collaboration with the Dane County Housing Authority. Additionally, the CDA is working closely with HUD and FNMA to explore other housing development options. In 2005, the CDA will administer the \$1,500,000 American Communities Capital Revolving Fund Program, capitalized by the Fannie Mae American Communities Fund Line of Credit, pending Council approval.

- **Peripheral Land Development:** The CDA will continue to pursue funding in collaboration with the City of Madison in the Capital Budget of 2005-2009 to fund for peripheral land development as one means to promote owner-occupied housing, especially for low- and moderate-income households.
- **Miscellaneous Housing Studies:** The CDA may participate in various housing studies to better ascertain housing opportunities including expanding neighborhood revitalization and home ownership opportunities for both the CDA and the City.

HOUSING OPERATIONS

Assisted Housing

- **Housing Counseling Program:** Housing Operations will counsel Low Rent Public Housing Residents and Housing Choice Voucher (Section 8) program applicants in applying for assistance and program participants in retaining their assistance.
- **Resident Opportunity Self Sufficiency/Multi-family Service Coordination Programs:** Housing Operations will solicit and coordinate service delivery on behalf of its elderly and disabled residents to help them continue to live independently.
- **Section 8 Homeownership Program:** Housing Operations will continue to assist qualified Housing Choice Voucher program participants in home purchasing.
- **Housing Choice Voucher Program (Section 8):** The CDA is currently authorized to issue 1606 vouchers; however, programmatic and budgetary changes will bring this number down. The CDA will have to monitor expenditures closely to maximize budgetary authority yet stay within the budget. The federal government has not authorized any new vouchers for several years and it is not likely that any new vouchers allocation will become available anytime in the near future. The CDA will continue efforts to disperse voucher utilization throughout the City.
- **Public Housing:** Continue the leasing and management of 882 Housing units at 40 locations spread across the City.

SPECIAL INITIATIVES

Long-Range Planning

- **Long-Range Planning Committee:** The CDA will undertake a long-range planning initiative that will explore the CDA's existing stock of properties, look at the challenges presented to the CDA by recent government initiatives/direction, and the need to help the CDA's housing portfolio remain a vital and growing element of Madison's affordable housing mix.

- **Long-Range Community Development Opportunities:** Staff will actively pursue partnership opportunities to help in the stabilization/redevelopment of neighborhoods within the City which will utilize the skills of other sectors (private, non-profit development, and finance) to have a long-term effect on CDA operations and community development opportunities. Of particular interest in 2005 will be the CDA applying for New Markets Tax Credits, partnership opportunities with Fannie Mae and/or WHEDA, joint ventures opportunities, and application by the CDA for Section 42 tax credits.