



City of Madison

City of Madison
Madison, WI 53703
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Meeting Minutes - Approved COMMUNITY DEVELOPMENT BLOCK GRANT COMMITTEE

Thursday, December 5, 2013

5:00 PM

215 Martin Luther King, Jr. Blvd.
Room 260 (Madison Municipal Building)

CALL TO ORDER / ROLL CALL

Present: 7 -

Maurice S. Cheeks; Lauren Cnare; Matthew J. Phair; Ben M. Van Pelt;
Monya A. Choudhury; Justin O. Markofski and Russ Whitesel

Absent: 2 -

Colin A. Bowden and Daniel A. O'Callaghan

STAFF: Mary Charnitz, Anne Kenny, Jim O'Keefe, Julie Spears

Markofski called the meeting to order at 5:02 p.m.

APPROVAL OF MINUTES

Choudhury moved to approve the November 4, 2013 minutes. Ald. Cnare seconded. Markofski requested a friendly amendment to change the minutes on page 2, in the second and third sentences in paragraph 4 under the CDBG November 2013 Chair Report, so that the sentences now read as follows:

Out of that, the SRO project is an exemplary snapshot of what is possible when CDA, the Housing Committee, and CDBG collaborate. He is encouraged by how the staff in the three departments are working together.

PUBLIC COMMENT

There was no public comment.

O'Callaghan arrived at 5:08 p.m.

Present: 8 -

Maurice S. Cheeks; Lauren Cnare; Matthew J. Phair; Ben M. Van Pelt;
Monya A. Choudhury; Justin O. Markofski; Daniel A. O'Callaghan and
Russ Whitesel

Absent: 1 -

Colin A. Bowden

DISCLOSURES AND RECUSALS

There were no disclosures or recusals.

1. [32451](#) CDBG December Chair Report

Markofski passed around a card thanking Liz Dannenbaum for her service on the Committee.

He pointed out the date change for the January, 2014 meeting from January 2 to January 9.

He also wanted to note the three extra public comment emails in tonight's packet regarding last month's public hearing on the consolidated plan.

Choudhury asked for clarification on the emailed comments from David Peters.

Charnitz said that it was confusing and that she thinks these comments were what he presented to the Common Council as part of the 2014 budget and that he wanted to forward those comments to the CDBG Committee as things to keep in mind as the Committee looks to developing their consolidated plan.

BUSINESS ITEMS

2. [32316](#) Authorizing the CDBG Office to accept a supplemental award of funds from the State of Wisconsin's Neighborhood Stabilization Program (NSP) on behalf of Housing Initiatives, Inc. and amending the 2014 CDBG Adopted Operating Budget to recognize \$27,500 in additional expenditure and revenue authority; and authorizing the Mayor and City Clerk to execute agreements with the State of Wisconsin and Housing Initiatives, Inc. to implement a specific rental housing project for low income households with NSP funds at a previously foreclosed property; and authorizing the Mayor and City Clerk to execute a Subordination of Mortgage in favor of first mortgage financing for two previously approved loans to Housing Initiatives, Inc. to Wisconsin Housing and Economic Development Authority (WHEDA) in forms as shall be approved by the City Attorney consistent with this Resolution.

Julie Spears gave an overview of the resolution. It's part of a bundle that allows CDD to accept additional NSP funds awarded from the State. The NSP funds were made available recently, and they fit in well with Housing Initiatives, Inc.'s (HII) need for rehab funds for their Karstens project. This resolution also allows CDD to amend the 2014 budget to include these funds and to subordinate the City's loan to WHEDA's.

- **Choudhury thanked Loumos for HII's flexibility in being able to spend these funds quickly.**
- **HII had originally had to pull out funding for rehab due to new funding regulations, and this loan of NSP funds means that HII doesn't have to wait on doing the rehab.**
- **Loumos said HII bought the property on November 15 and did interior rehab quickly. People will begin moving in tomorrow.**

Whitesel moved and Choudhury seconded, return to lead with the recommendation for approval to the BOARD OF ESTIMATES. The motion passed by voice vote.

3. [32420](#)

Discussion on the Race to Equity Report

Markofski said the Committee received this report last month, and there was a meeting regarding the report at the Water Utility last month as well. He said he appreciated the presentation and that it brought forth an emotional response from some of the minority attendees about the challenges they've encountered related to the inequity in the county. One of the benefits he sees to the report is the opportunity for conversations to be had over difficult and challenging subject matter. He said the Committee might use the report as it goes forward with the five-year planning process.

Discussion highlights:

- Ald. Cnare said the report says that the city has pockets of African-American neighborhoods surrounded by white neighborhoods of homeownership. Ald. Cnare asked if what CDD is funding is exacerbating that problem or solving it and asked the Committee to keep this in mind when they approve money for housing.
- Ald. Phair said that on the positive side, there's an effort underway for an equity impact model for the City. There's also an out-of-school time effort in the City, which should address the need for access to quality programs outside of school for low-income kids. The Mayor's employment plan should also address the issue of equity for minorities.
- Choudhury said she appreciated what everyone was saying but wanted to add for the record that people of color do not need to be reminded that they live in a racist, sexist community. The report reminds white people that racism exists, but overall it was really disappointing to her. It consists of rehashed data, and she doesn't know whether the document will be a vehicle for change. She said power and privilege need to be shared in order to make a difference.
- Ald. Cnare said City committees are sorely under-represented with respect to a balanced and equitable representation. Committees are where democracy happens, and committee members have power when they make decisions and privilege when they serve.
- Choudhury said that the lag time between application to be on a committee and actually getting to serve can be really long.
- Whitesel said he was stunned by how absolute the report was, rather than general. He hopes the Committee keeps it in mind when making decisions, though he's not sure it's a blueprint for action. The report may not answer all the questions out there.
- Ald. Phair said the report is not a blueprint for action. He said it is a publicity mechanism, but it gets people talking about the issues.
- Choudhury said that there is a predominantly white culture in Madison and Dane County.
- Markofski said that it's an opportunity for stimulating feedback and engagement. There has to be recognition of the country's history with respect to people of color. Forty-six years ago discrimination against people of color was legal.
- Ald. Phair said that access to resources—e.g., transportation, after school

programs, food—has to be considered when the Committee makes decisions with respect to neighborhoods.

- Choudhury said that integration of and cross training in issues can be awesome. She's always a fan of integrating information about racism and sexism.
- O'Callaghan said for 80% of the community, things are rosy and it's easy to forget about the other 20%. There's not a lot of integration and interaction. The report is largely about awareness, but it's not the terminal report. It's just an opening salvo. He said he wouldn't be too quick to judge too harshly some of the statistics. Eighty percent of the community doesn't know about the issues and statistics in the report. Hopefully, it's quite shocking to those people.
- Ald. Cheeks said he likes the fact that they've put on 30+ presentations around the community. Most people don't know about the information contained in the report. Many people will find the data to be startling and embarrassing. The ideal is not being played out even though the community professes liberal, social justice-like values, and it's easy to ignore the reality. He fears there's not a significant amount of ambition to keep the report in mind. The community needs to muster the courage to eradicate this.
- Ald. Phair said that the City is already gaining momentum to end the achievement gap in schools due to a concerted effort by the City, County, and schools.
- O'Callaghan said it's all about political will. He wondered if the City has the resources to address these issues.
- Ald. Phair said the report is the beginning to get the public behind any big initiative the City takes on.
- Markofski said that an example of racial integration is Carmen Porco's project-based Section 8 developments. A deep investment of subsidy has allowed for the integration.
- Ald. Cnare said that the Committee should look at the consolidated plan with this report in hand. The report is very timely in that respect.
- Van Pelt said that it's a societal change the community will have to go through and that it will take a long time. He's encouraged by the outreach to youth to be on committees like this one to make those changes.
- Choudhury said that true social change takes entire generations.

4. [32421](#)

Consolidated Plan Process and Timeline information

Charnitz explained the consolidated plan and the five-year planning process and what the involvement of the Committee will be. The Committee can shape what level of involvement it would like to have.

She went through an overview of what's required of the CDD with respect to the consolidated plan. A five-year, consolidated plan is required by HUD, and the office is going through a transitional process in the way the plan is developed. It's now an online process, and the way the information is to be presented is new. The five-year plan lays out what CDD's goals, objectives, policies, and vision are. It also asks CDD to identify those elements on an annual basis. The plan is due next November, and there needs to be a significant public participation component. CDD two-year goals and objectives, which serve as the Framework, are excerpts from the consolidated plan. The Framework serves as CDD's request for proposals for the summer funding process. It sets the framework for how CDD funds will be used including any reserve funds. Right now, there's a timing issue with respect to the fact that

the Framework has to be done by spring, but the five-year plan doesn't have to be completed until November 2014. CDD is trying to juggle those timing disparities.

Choudhury asked how much of the plan is actually guided by the City and how much is guided by HUD.

Charnitz said the consolidated plan process is completely driven by HUD, but CDD also includes other funds—state and city—in setting its vision in the plan. All of the eligible uses of the funds are guided by regulation, so CDD is only able to do activities that are eligible per the regulations. However, the CDD can choose within certain areas, like housing, for example, whether to concentrate on rental, homeownership, seniors, or SROs.

Charnitz said the office develops its Framework from the goals and objectives identified in the five-year plan and then uses those objectives to make funding decisions, which get integrated into the annual Action Plan. At the end of the annual cycle, the office does the performance report—or CAPER—which outlines the achievements and accomplishments of each year.

Charnitz said each of these plans requires a public participation process, which is one of HUD's goals to engage citizens in decision making. The CDD has to identify what the citizen participation process is and integrate it into the plan.

Back in October, CDD met with Dane County to coordinate the development of both offices' five-year plans, in order to share resources and public input. One of the pieces was a citizen participation survey. CDD received almost 1,000 responses to the survey, and staff are in the process of tallying the results. CDD plans for seven focus groups bringing together folks with like goal areas or missions and asking them what they see as trends and areas for potential focus in the future. Recently CDD decided to add another focus group to hit a niche related to the Race to Equity report. They've decided to ask for suggestions from that group to deal with some of the issues and inequalities that have been identified by the report.

Charnitz said that tonight, CDD would like the Committee to provide its input. Staff would like the Committee to discuss what they would like CDD to be considering and what they think is valuable as the division proceeds with the five-year plan process. Almost monthly throughout the year, the Committee will be asked to participate at some level in this process. In January, staff will bring back some proposed changes to goals and objectives based on everything the Committee has heard, focus group and citizen survey results, staff discussion and the discussion heard tonight. Staff will also be taking the goals and objectives back to the Third Sector group for its input on the proposed changes and how they will work. Then in February, CDD will have its goals and objectives established, which are needed for the Framework, and will hold a public hearing on the proposed goals and objectives. In March, staff will bring the goals and objectives back to the Committee for approval of the two-year Framework, which will hopefully be adopted by the Common Council. Then the office will go through the Summer Funding Process in June and July. After that, in August, work will return to the consolidated plan, and the Committee will have some further discussion about any issues that need to be wrapped up. After that, the consolidated plan will be approved and continue

through the process until it's submitted in November.

Discussion highlights:

- Ald. Cnare asked if changes to the five-year plan could be made in year three, for example. Charnitz said it can be changed through a process required for amendments.
- O'Callaghan asked why CDD has a two-year funding cycle. Charnitz said it's because of procurement requirements. CDD has to have open and competitive competition for use of funds. CDD received approval from HUD to hold a two-year decision making process. A new two-year Framework has to be in place before CDD can move forward with the two-year funding cycle.
- O'Callaghan asked why CDD chooses a two-year process. Charnitz said it was because of efficiencies for agencies, so they don't need to fill out an application and attend multiple funding process meetings every year. O'Callaghan asked why CDD couldn't have a three year process followed by a two-year process or a two two-and-a-half year processes to be in line with the five-year plan. Charnitz will look into this.
- Charnitz said CDD is required to have an open and competitive process for the money HUD allocates to the division on an annual basis. She stated CDD could propose to HUD a new cycle, say three years, and HUD could respond and say whether that meets their guidelines.
- O'Callaghan asked about having a five-year funding cycle to focus on deeper investments that need a five-year planning horizon or a five-year commitment to funding. Charnitz said that HUD might not view it as open and competitive and responsive to new needs as they arise, but if it's the way the Committee wanted to go, staff could ask HUD about it.
- O'Callaghan asked about the allocations the City receives from HUD. Charnitz said that last year, CDD spent about \$7 million, including revolving funds, and those were almost exclusively federal funds. CDD gets about \$3 million in new money annually from the federal government, \$0.5 million in City money, \$1.5 million in AHTFs and \$0.5 from other sources. The rest are revolving or carryover funds.
- Choudhury said, on behalf of the Conference Committee, the two-year funding process is largely inefficient for centers, and they could easily benefit from a five-year process. Charnitz said that CDD supports the operations component of neighborhood centers, not the programming; and funding includes both federal and City money, so it can be complicated.
- Whitesel said a five-year plan is a good idea, but it doesn't allow for much flexibility in decisions. Charnitz said five-year plan goals and objectives are set broadly in order to accommodate annual needs and specific proposals.
- Ald. Phair said the five-year plan should serve two purposes: 1) to fulfill the requirements of HUD, and 2) also be the Committee's mission statement and goals.
- Van Pelt asked if the consolidated plan could be switched to a two- or three-year plan to fit more within CDD's funding process. Charnitz said didn't think it was allowed.
- Charnitz reminded the Committee what it currently funds: rental housing, owner-occupied rehab housing, homeowner housing, economic development with job creation and micro-business development, support of neighborhood focal points such as neighborhood centers and gardens, homeless services, access to housing resources, neighborhood revitalization, and assistance to facilities for repairs or acquisition by non-profit agencies. She asked the Committee for its input on emphasis of types of funding.

- Ald. Phair said he would like to see CDD take a more comprehensive look at neighborhood revitalization and rebuilding and to look at planning centered on the isolated, pocket neighborhoods. Whitesel said that City has done such work on Park Street and with Common Wealth branching out into the Southwest side where it's needed.
- Ald. Cnare asked if the concentration neighborhood planning process could be ramped up. She would like to see more of those planning processes happen. Charnitz said the CDBG Committee approves the neighborhoods for the process.
- Choudhury said she was struck by the public comment last month about the need for a drop-in shelter. She was distressed by the numbers of homeless individuals and families sleeping outdoors. She thinks there's been an increase in the last 10 or 15 years in the level of transitional living supportive services required by families moving from homelessness into self-sustaining housing arrangements. The Committee needs to be prepared to spend more money on transitional living situations. The benchmark needs to be prioritized.
- Ald. Phair asked about the economic development part of CDD's program and whether or not stepping things up there would be a smart way to allocate resources. He thinks it's important to do more. Charnitz said the Committee should look at what CDBG does and OCS does and how those components fit in with the Mayor's new employment initiative. Ald. Phair said he would like to see some information about what CDD as a whole currently does and what the outcomes of those efforts are. Choudhury said she would like an actual financial analysis of what is the most efficient, prudent use of City funds towards economic development with respect to whether CDD's and Economic Development's approaches are maximizing efficiencies.
- Ald. Cnare suggested doing more with foreclosed homes in the city, either in the rental housing category or the homeowner category.
- Ald. Chare also suggested doing something with the Affordable Housing Trust Fund (AHTF).
- Choudhury asked what the status of the AHTF is at this point. O'Keefe said that the City is working on a proposal to find a new funding source for the trust fund. He'd like to see the ordinance move away from a more prescriptive, more confining ordinance as it is now to something broader and more flexible. The consolidated plan references the AHTF as a resource.

Charnitz asked Committee members to email her any other ideas they might have about the consolidated plan or process in the near future.

5. [32424](#)

City's Ethics Code, sec. 3.35(9)(h)1, MGO

Staff to all boards, commissions and committees shall place the Statement of Interest form completion on the agenda for the next meetings of the board, commission or committee and shall seek to have all members complete and file the Statement of Interest.

Markofski reminded Committee members that they are required to fill out a statement of interest form due by January 7, before the next Committee meeting. It's only available as an online form. The Clerk's Office can help members troubleshoot accessing the form with IDs and passwords.

Ald. Cnare left the meeting at 7:05 p.m.

- Present:** 7 -
Maurice S. Cheeks; Matthew J. Phair; Ben M. Van Pelt; Monya A. Choudhury; Justin O. Markofski; Daniel A. O'Callaghan and Russ Whitesel
- Absent:** 1 -
Colin A. Bowden
- Excused:** 1 -
Lauren Cnare

6. [31985](#) CDBG December 2013 Staff Report

Emerson Eken Concentration Neighborhood Process
Financials
CC updates

Emerson Eken Concentration Neighborhood Process

Charnitz pointed out a memo that the Committee received from Linda Horvath that includes the current status of the process. Appointments to the steering committee have been made, and the Council needs to approve them.

Financials

There were no questions about financials.

7. [32250](#) Report from committees with CDBG Committee representation.

Garden Committee (Markofski)
2014 Dr. King Humanitarian Award (Appointment of a Committee member to serve on this year's Selection Committee)

1. Gardens Committee (Markofski)

Markofski was not able to attend, but Linette Rhodes was there handing out surveys for the consolidated plan process. Markofski will be able to update the Committee next time on how Community Action Coalition is sorting out its role with respect to gardens.

Ald. Phair, who is on the Food Policy Council, said that they're moving towards looking at a completely different model for gardens. They're looking at what other cities do.

2. 2014 Dr. King Humanitarian Award (Appointment of a Committee member to serve on this year's Selection Committee)

Markofski said that the CDBG Committee could nominate and select one of its members to serve on the Dr. King Humanitarian Award Committee. Choudhury nominated Bowden, who was not present to accept or decline, but who has expressed interest in serving on the Award Committee in the past. O'Callaghan seconded the nominations. The motion passed unanimously.

Charnitz suggested nominating a back-up in case Bowden is not interested or cannot serve on the Award Committee.

Choudhury said there are typically two, with the possibility of three, meetings of the Award Committee.

Markofski said he would be interested and willing to be back-up to Bowden. Choudhury and Ald. Phair co-nominated Markfoski as a back-up if Bowden was not able to serve and Ald. Cheeks seconded. The motion passed unanimously.

ADJOURNMENT

Ald. Phair moved adjournment. Ald. Cheeks seconded. The motion passed unanimously.

Anne Kenny, recorder