



City of Madison

Meeting Minutes - Final

HOUSING COMMITTEE

City of Madison
Madison, WI 53703
www.cityofmadison.com

Wednesday, June 7, 2006

5:00 PM

215 Martin Luther King, Jr. Blvd.
Room LL-110 Madison Municipal Building

1. CALL TO ORDER

The meeting was called to order by Chair Hirsch at 5:00 p.m.

2. ROLL CALL

Present: Ald. Michael E. Verveer, Florence Zmudzinski, Howard Mandeville, Thomas E. Hirsch, Victor E. Villacrez, Judith M. Wilcox, Curtis V. Brink, Rose M. LeTourneau, David R. Sparer and Ald. Austin W. King

Absent: Philip P. Ejercito and Richard B. Arnesen, Jr.

Excused: John L. Merrill, Detria D. Hassel and Julia S. Kerr

Also Present: George Hank, Steve Brist

3. APPROVAL OF MINUTES

King moved approval of the minutes, second by Wilcox with unanimous approval.

4. PUBLIC COMMENT

No appearances.

5. NEW BUSINESS ITEMS

[03515](#)

Amending Section 32.07(5) of the Madison General Ordinances to require separate Check-In and Check-Out forms for rental properties.

Brist noted this is to clarify if the check-in and check-out forms are one or two forms. This ordinance would clarify that these are two forms. Sparer noted this would be a big improvement over the present language as this was confusing and people were not sure how to comply. LeTourneau made a motion to refer this to the Landlord & Tenant Issues Subcommittee, second by Brink. There was concern from Brink that the time frame that the landlord is to give the check-out form to the tenant could be a problem. This punishes the landlord. He believes that comment is needed from landlords on this issue. There was unanimous approval to refer.

Refer to the LANDLORD AND TENANT ISSUES SUBCOMMITTEE

6. OLD BUSINESS

Consideration of revisions to the Inclusionary Zoning Ordinance.

Hirsch presented a memo on IZ Fix-it Items. Summary is as follows:

GAP

Current Ordinance: cost neutrality intended. Waiver process allows adjusting number IZ dwelling units.

Housing Committee Recommendations: off-site existing dwelling units allowed; IZ free zones (others in box chart).

Subcommittee Recommendations: Gap evaluation based on surrogate \$ (revenues foregone cf. value of incentives).

Marketing

Current Ordinance: 2-120 day periods AMI 10% in second one; then opt-out starts with marketing.

Ald Cnare: City promotes IZ (website, training for real estate professionals, media ads, etc.); do not require submission of a plan for City approval; allow a model dwelling unit to qualify as "walk-through".

Housing Committee Recommendations: 2-120 day periods; increase AMI 10% in second one which ends no sooner than 30 days after Certificate of Occupancy unless comparable model is available; then opt-out.

Opt-out/Recapture

Plan Commission Discussion: No opt-out; IZ dwelling unit stays an IZ dwelling unit through first sale.

Hirsch: Housing Committee recommendation on marketing/opt-out adding recapture of value incentives (using gap evaluation process from above).

Hickory Hurie presented a box chart which takes this notion of revenues foregone and puts it into a format so that some numbers come off the bottom. This is seen as a good gap evaluating tool.

Hirsch asked the members of the Housing Committee if they would like to either refer this subject back to the Affordable Housing Subcommittee and/or make some recommendations so that the Plan Commission and the Mayor have some sense of the Housing Committee's interests on any of these matters to help advance the conversation that is going on in other circles. Brink noted the recapture value incentives is a radical change of IZ, basically adding more to it than what has been in IZ before. This is a difficult concept and he feels this stops IZ.

Villacrez moved to refer this item back to the Affordable Housing Subcommittee for discussion, second by King with unanimous approval. Hirsch asked if any recommendation was to be made for the revenues approach or calculations? Sparer wasn't sure if the calculations work correctly and he would like a more simplified method. Sparer moved to make a recommendation to the Plan Commission in concept that this methodology be considered, second by Villacrez with unanimous approval.

7. REPORTS OF SUBCOMMITTEES

Landlord & Tenant Issues Subcommittee - Brink. LeTourneau noted a presentation was given by Nancy Jensen about programs on mediation for evictions and tenant problems. Sparer noted it was also discussed the suggestion that the Water Utility mailing be used for piggybacking on sending out information on landlord/tenant law.

Affordable Housing Subcommittee - Brink. Members are trying to get their arms around all the different issues about IZ. Hirsch noted the marketing period would be looked at. The Housing Committee's previous recommendation was the first time period not end before 30 days after the Certificate of Occupancy is issued. There was discussion that this was not long enough and maybe 45 days would be better. There was another proposal that would require the developer to provide a return back to the City for the value of incentives if it would went off of IZ (recapture of incentives). There was a proposal to look at a different form of cost analysis which was how to figure if there is a gap between the incentives the City is offering and the number of units that the developer is obligated to provide, and is there some numerical basis so the determination could be made and decide whether 15% works or 15% needs to be reduced, or some other way. It has been noted that the current cost analysis approach is extremely cumbersome, very detailed and developers don't like it. There had been discussion in the IZ Work group about a revenues foregone approach. What would the sales price be for the unit IZ vs market rate unit? This was proposed to be a substitute into this underwriting process. If a non-profit exceeds the performance of the IZ unit, it shouldn't have to go through the IZ approach.

There are 3 levels of analysis. Those that exceed the IZ ordinance with the number of units are going to "sail through" from an administrative point of view. The new simplified evaluation would be a friendly negotiation between the City and the developer. This would be straight forward and it would give everyone enough numbers to "hang their hats on". The third level is when the developer and City can't come to terms, then they would have to go through the full waiver process. The Subcommittee did not come to a conclusion on that methodology.

8. PRESENTATIONS

Peter Munoz of Centro Hispano appeared to discuss the immigration issue and how this affects affordable housing and housing in general. We as a nation have made tremendous mistakes in responding to the war on terror or to the terrorist attacks on the United States. They are real but we have committed great errors and one of them is treating the vast majority of immigrants that are here to help our nation economically the same as if there were terrorists. He handed out The Senate's Comprehensive Immigration Reform Bill: Highlights and Lowlights; and a memo from Dane County Executive Kathleen Falk to the U.S. House of Representatives and U.S. Senate with her concerns about this bill.

9. DISCUSSION ON FUTURE AGENDA ITEMS - SCHEDULE NEXT MEETING

10. ADJOURNMENT

Sparer moved adjournment, second by Verveer with unanimous approval.