



City of Madison

City of Madison
Madison, WI 53703
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Meeting Minutes - Draft COMMUNITY DEVELOPMENT AUTHORITY

Thursday, June 8, 2017

4:30 PM

GR27, Central Police District Community Room
210 Martin Luther King, Jr. Blvd.

CALL TO ORDER / ROLL CALL

The meeting was called to order by Chairperson Dean Brasser at 4:35 p.m.

Present: 4 - Sara Eskrich; Daniel G. Guerra, Jr.; Sariah J. Daine and Dean Brasser

Excused: 2 - Sheri Carter and Claude A. Gilmore

Staff present: Natalie Erdman, Matt Wachter, Tom Conrad, Jim Nichols

APPROVAL OF MINUTES

A motion was made by Guerra, Jr., seconded by Daine, to Approve the Minutes of the May 11, 2017, and May 24, 2017, meetings. The motion passed by voice vote.

PUBLIC COMMENT

None.

DISCLOSURES AND RECUSALS

Sara Eskrich is a member of the Bayview Board.

1. [32700](#)

COMMUNICATIONS

Matt Wachter reported on tax credit awards for CDA projects. The Tree Lane senior project did not receive tax credits. The developer will reapply in December. There will be some changes to their unit configuration and more of their financing will be in place, so they should get 10 or 12 more points and qualify for the credits. They have done more soil testing and engineering work, and may come back to us with a request for modification of the price we discussed two or three months ago.

The permanent supportive housing on Park Street, to which we had committed vouchers, also did not receive tax credits. The entire supportive set-aside of approx. \$14 million went to a single, virtually unbeatable project in Milwaukee. We are looking for ways to make this project more competitive.

The Stonehouse Fair Oaks project also did not receive a tax credit, and they are looking for ways to improve their project for resubmittal in December.

The Normandy Lane senior project was successful, and we have gotten additional

funds for a Park St. project that is under construction. The Union Corners "Grand-Families" project was also successful.

The problem for creating more such projects in the future is a shortage of well-located, developable apartment sites for affordable housing.

PRESENTATION OF CONSENT AGENDA

A motion was made by Guerra, Jr., seconded by Daine, to Adopt the Consent Agenda, approving items 2c and 4 and referring items 3, 5 and 7 to a future CDA meeting. The motion passed by voice vote.

2. [41675](#)

HOUSING OPERATIONS MONTHLY REPORT

Tom Conrad gave the report.

2a. Public Housing vacancies:

– The report included everything to the end of April. We are hitting the 98% occupancy goals for all sites, except for the mothballed units at Truax. Staff are looking at redevelopment possibilities, and working on moving or relocating current occupant families by December 31.

2b. Section 8:

- There was a drop in May of the number of units in use, probably due to the seasonal effect of some leases ending and tenants shopping for new housing. This has delayed some payments to landlords, and the results this will not be known until the end of this month.
- He said there has been a consistent drop in the average amount of assistance provided, due to a CDA Board decision last year to lower the payment standards in order to maintain high utilization. He does not know when the decrease will plateau, but the decrease will continue. Some persons will still be able to use the old payment standard until July of 2018.
- Guerra asked if this will affect the 12-month utilization. Conrad said no, because he expects the number to return to the previous level of 1700 in approx. a month.
- Conrad explained that all available money needs to be spent, including the unrestricted reserve money, but the following year must be considered. The unpredictability of the HUD appropriation amount could cause problems. In 2016, a decision was made to spend approx. \$600,000 of the available \$1,050,000. We are acting more cautiously for 2017, not intending to spend any of the reserve, because it was assumed the appropriation for 2017 would be significantly less than for 2016. Because the 2017 appropriation turned out to be higher than expected, we will end this year with an additional \$340,000 to add to the reserves, for a total of nearly \$800,000. This will be important for 2018 because the HUD cuts could be quite large. HUD has advised us to spend all of this year's allocation including the \$340,000, adding a few more people to the program. We don't have to spend the \$450,000 currently in reserve. Conrad contacts HUD monthly regarding what we should spend. Erdman noted that we could take down our commitment by attrition if HUD has a big cut for 2018.
- Conrad said that in the summer of 2016 we lowered our payment standard from approx. 102% of the HUD standard to approx. 99%. This could be done again but it might make the vouchers worthless if spending is too low, because the vouchers would not work in the market because housing prices are going

up. Families are not allowed to spend more than 30% of their income along with a voucher on housing, and that amount may not be enough.

- 2c. [47553](#) CDA Resolution 4226 - Approving HUD required Violence Against Women Reauthorization Act of 2013 (VAWA) changes

A motion was made by Guerra, Jr., seconded by Daine, to Approve. The motion passed by voice vote.

VILLAGE ON PARK

3. [47573](#) CDA Resolution #4227 - Amending the 2017 Capital Budget for the Community Development Authority and Authorizing an additional \$72,928.10 for storm sewer, water proofing and related HVAC work at the Village on Park.

A motion was made by Guerra, Jr., seconded by Daine, to Refer to a future meeting of the COMMUNITY DEVELOPMENT AUTHORITY. The motion passed by voice vote..

7941 TREE LANE

4. [47575](#) CDA Resolution 4228 - Approving authorizing the termination of the lease between the CDA and Star One Staffing of Madison Incorporated for a property at 7941 Tree Lane

A motion was made by Guerra, Jr., seconded by Daine, to Approve. The motion passed by voice vote.

MOSAIC RIDGE

5. [47218](#) CDA Resolution 4225 - Authorizing the execution of a contract with Bluestone Custom Homes, LLC for the construction of a model home on Lot 18 of Mosaic Ridge.

A motion was made by Guerra, Jr., seconded by Daine, to Refer to a future meeting of the COMMUNITY DEVELOPMENT AUTHORITY. The motion passed by voice vote..

6. [47582](#) CDA Resolution 4229 - Straubel Court Repave - 2017

There was some discussion of the lack of bids from minority-owned vendors.

7. [47576](#) 2016 Audits

A motion was made by Guerra, Jr., seconded by Daine, to Refer to a future meeting of the COMMUNITY DEVELOPMENT AUTHORITY. The motion passed by voice vote..

8. [47577](#) 2017 CDA Work Plan - Discussion

Matt Wachter talked about the CDA Calendar handout (attached), which is a summary of things the Board needs to do throughout the year.

- He suggested the summer meetings be held at a variety of the project sites, so the Board can see the sites and can get more resident input. The budget process will be completed in October, and in December there should be a year-end review of the success of the work plan.
- It was agreed that Triangle and Romnes would not be good sites for the meetings when goals and audits were discussed because most of the meeting time would be used for resident input.
- There was discussion of goals, including their scope, and developing a structure and timeline of how to discuss them. Staff was asked to develop and present a framework/overview for goals to present to the Board, with follow-up discussion to occur at a later meeting.
- It was decided that as they are such large topics, goals and audits should be discussed at separate meetings.

Work Plan:

Conrad and Wachter explained the Work Plan handout (attached), which includes all major tasks for 2017 in various areas for both housing and redevelopment, rated by priority (Required, High Priority or Other), and showing the team or staff person responsible for the task.

Comments:

- Erdman said on evaluating scattered sites (2.A.c), that the Mayor and Alder Phair have requested that we replace the Theresa Terrace duplex units with higher quality affordable housing. Webb and Rethke are also possible redevelopment sites.
- Daine said she is truly impressed with the amount of work being done.
- Brasser approved of the report format but suggested it should have a "dates" column to show when things were planned to be done. Also, this report should be presented earlier in the year. Erdman said there is a version of the report that shows dates, and the report is continually being updated.
- Eskrich asked about CDA staffing levels. Erdman said that Conrad is still interim, and his job will be posted. Matt Wachter's job may be re-written or reclassified, and he needs an aide or intern.

9. [36526](#) BUSINESS BY THE COMMISSIONERS

NEXT MEETING

ADJOURNMENT

A motion was made by Guerra, Jr., seconded by Eskrich, to Adjourn. The motion passed by voice vote. The meeting adjourned at 6:13 p.m.