

**2012 STAFF REVIEW OF PROPOSALS FOR
COMMUNITY/NEIGHBORHOOD DEVELOPMENT RESERVE FUNDS**
(Housing Development Funds, Affordable Housing Trust Funds, Facility Acquisition/Rehab Funds, Futures Funds)

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1. **Project Name/Title:** 2012 Community Facility Acquisition
2. **Agency Name:** Access Community Health Centers
3. **Requested Amount:** \$150,000
4. **Project Type:** New or Continuing
5. **Framework Plan Objective Most Directly Addressed by Proposed Activity:**
K: Community-based Facilities: Create or improve safe, accessible, energy efficient and well-maintained community and neighborhood facilities.
6. **Product/Service Description:**
Access Community Health Centers proposes to purchase 50,000 sq. ft. of land on the northeast corner of The Village on Park site to construct a new 21,500 sq. ft. South Side Clinic to expand services and capacity in its current location.
7. **Anticipated Accomplishments (Numbers/Type/Outcome):**
Access's patient demographics demonstrate that at least 75% of their patients are low to moderate income persons (\leq 80% CMI). Approximately two-thirds (66%) of their patients are City of Madison residents. Taken together, over 51% of the 8,000 additional patients that Access projects to serve at full capacity which will be City of Madison residents and low to moderate income. Access also projects a 75% increase in jobs, from 40 to 70 FTEs at full operating capacity which is a valuable secondary outcome.
8. **Staff Review:**
Access Community Health Centers has three clinic sites East Washington, Sun Prairie and Dodgeville in addition to the 6,000 sq. ft of space they currently lease from the City at The Village on Park. This 70 year old facility is badly worn and inadequate in space and capacity to serve the demand for services. Access has undergone a seven year evaluation and planning process from which it concluded staying in South Madison in their current general location was an organizational priority. Access considered rehabilitating and continuing to rent the current space, however their analysis demonstrated that it would be less expensive in the long-term to construct and own a new facility. They have negotiated acquisition of part of The Village on Park parking lot.

Access Community Health Centers is a Federally-Qualified Health Centers (FQHC) that provides health care services to low-income, underserved individuals located in areas where care is most needed. Access patients are generally either covered by Medicaid or uninsured. Patients without health insurance are treated on a sliding-fee scale based on income. A new Southside clinic will add dental, pharmacy, and x-ray services and expand medical and behavioral health services. South Madison continues to have significantly lower incomes and higher poverty rates than the City of Madison.

Access has an executed Purchase and Sale Agreement with the CDA for \$800,000 for land costs with acquisition planned for November 2012. Access estimates total project costs of \$7M. Construction would begin early 2013 with the new clinic scheduled to open by Spring of 2014. The request for \$150,000 represents 2.3% of the total development costs.

Access was awarded \$3M in May 2012 from the U.S. Department of Health and Human Services from the Affordable Care Act designed to support the construction and renovation or creation of new health center clinics across the country. Access has \$3.5M in multi-year capital campaign pledges and hopes to raise an additional \$350,000. Most commitments are from long-time donors. Access is confident in their past history of and experience securing pledges, however, they are working with Johnson Bank to secure five-year short term financing while pledges are forthcoming. The requested \$150,000 will fill the remaining gap.

The number one priority of the *South Madison Neighborhood Plan* (2005) was to "Redevelop the Villager Mall-Comstock Tire site with high quality, commercial redevelopment that would result in new employment opportunities, improved service facilities, and improved pedestrian circulation." Furthermore, construction of this new clinic is consistent with the CDA's *Villager Site Development and Master Plan* (2005; Revised 2007) which identifies future development on a portion of the site for a health-oriented building.

The Wingra Clinic, on South Park Street across the street from the current Access site, plans to move to the previous Bancroft Dairy site in 2013, a one mile to the North of their current site. Access is the operator and manager of the Wingra Clinic. They project that a portion of current Wingra Clinic patients will transfer to The Village on the Park site based on proximity therefore increasing the need for services to low income South Madison residents in that location.

The CDBG Office assisted Access twice in previous years to support capital needs for other sites. Access successfully completed the William T. Evjue Clinic on East Washington Ave. in 2004 with support from CDBG funding. At that time, Access moved all dental services to the East Washington Ave. facility. However, the distance to the South side has proven difficult for a significant portion of their patients. This prompted the desire to construct a dental facility at the South side location to serve that area while also expanding other services. Access projects several years from completion to reach full capacity of both staff and patients at the South side location. After stabilizing, Access may consider constructing a dental facility at their Sun Prairie location.

Access has applied for \$150,000 in CDD funds which is within the CDD guidelines. The City has sufficient funds in the Acquisition/Rehab Reserves available to fund this project at this time. Alder Bruer has expressed support of this project.

Total Cost/Total Beneficiaries Equals:	\$6.5M/8,000 new patients = \$812 per beneficiary
CD Office Funds/CD-Eligible Beneficiaries Equals:	\$150,000/8,000 = \$18.75 per new beneficiary
CD Office Funds as Percentage of Total Budget:	\$150,000/\$7,000,000= 2.1%

9. Staff recommendation:

Provide up to \$150,000 in CDBG funds as a 0% interest loan secured by a mortgage and a promissory note deferred for five (5) years after completion of construction. Funding will be made available for the acquisition of land to construct a new medical clinic facility.

Technical and Regulatory Issues	Project information
Within unit, capital, mortgage limits	Yes
Within Subsidy layering limits/ analysis	n/a
Environmental Review issues	Environmental Assessment Required.
Eligible project	Yes
Conflict of interest	No
Church/State issues	No
Accessibility of program	Yes
Accessibility of structure	Yes
Lead-based paint issues	No
Relocation/displacement	No
Zoning restrictions	Yes
Fair Labor Standards	No
Vulnerable populations	Yes
Matching Requirement	No
Period of Affordability for HOME funds	n/a
Within Site and Neighborhood Standards	n/a
Supplanting issues	No
Living wage requirement	Yes
MBE goal	Yes
Aldermanic/neighborhood communication	Yes
Management issues:	No