



City of Madison

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

Meeting Minutes - Approved HOUSING COMMITTEE

Wednesday, October 15, 2008

5:00 PM

215 Martin Luther King, Jr. Blvd.
Room 300 (Madison Municipal Building)

CALL TO ORDER / ROLL CALL

The meeting was called to order by Chair Hirsch at 5:00 PM

Staff Present: George Hank and Meg Zopolis

Present: 10 -

Greg L. Rosenberg; Tobi L. LeMahieu; Alicia Bosben Gebhardt; Susan K. Day; Thomas E. Hirsch; Brian A. Munson; Victor E. Villarez; Curtis V. Brink; David C. Porterfield and David R. Sparer

Absent: 2 -

Judith M. Wilcox and Eli Judge

Excused: 3 -

Detria D. Hassel; Brenda K. Konkel and Philip P. Ejercito

11766

Update on CDA Development Activities - Mark Olinger

1. Status of Phases I & II at AD
2. Truax Park
3. Longer range views for Triangle
4. Rommnes

Attachments:

[Building A Layout Sheet-LR.pdf](#)

[Building B Layout Sheet-LR.pdf](#)

[Building E and F Layout Sheet-LR.pdf](#)

The presentation by Mark Olinger was moved to the beginning of meeting.

Olinger was last before the Housing Committee in the beginning of 2008. He had the conceptual scheme with him for Phase 1 and 2 that was previously showed to the Committee for Allied Drive. This was the recommendation that went in for the tax credits. When we received the tax credits in April 2008, it was for the first five buildings. The idea was to have two buildings that were elevator, Buildings A & B, and three townhouse buildings, Buildings C, E & F. Building A has 19 units, Building B has 13 units including a manager/caretaker unit, Building C has 9 units and Buildings E & F have four units each. They tried to get it so that everyone had a little bit of yard and their own private entry. All of the units are on public streets. There was a healthy and lively debate on how to name the streets.

Work was done over the last several months on a number of issues. Olinger had an aerial view/project boards of what the five buildings will look like. Building A is a 3-story building on top of underground parking. Building B is a

3-story building with at-grade parking. Building C has 9 townhouses that front on Allied. All of them either have attached or detached garages. The two end units are flats so there is an at-grade unit and you can walk up a floor to a second story unit. Buildings E & F will front onto the tot lot.

Wilcox showed up at 5:05 PM.

A number of things have happened since they got approval. The largest is that there has been a change in the architect recently. The new architect is taking these drawings and finishing them. Olinger received his 15% construction documentation today (October 15, 2008). The goal is to close on the tax credits by the end of the first week in November and commence construction shortly thereafter. This is the first tax credit deal that Olinger has been intimately involved in and they ask for a lot of information all of the time. They are constantly feeding information about the tax credits.

The other thing that has been talked about in the Allied project was the importance of employment opportunities for residents. This is a two-part project. The first part of the project was the public infrastructure improvements. 9 of the 11 buildings that were on the site are now gone. The entire infrastructure for Phase 1 is basically in. If you go out today, you will see the streets. The only two buildings that are left are two Birch Hill Square buildings. Those are the two buildings to which they promised they would move residents who lived in the other 7 largely occupied buildings into those two buildings while they were building. All of those households have moved in and they tried to accommodate the household parking needs. It has been a challenge during the construction. They wanted to provide an opportunity for neighborhood residents to be employed during the construction project. As a two-part project, the City doing the infrastructure and the CDA doing the apartments, we worked into the Public Works Contract that there will be a minimum of 3 residents hired during the development of the project as apprentice laborers. Those 3 people are actually on the site and working. The CDA committed that they would hire up to 12 neighborhood residents on the construction of the apartments. That outreach effort is beginning now.

There are 3 levels of neighborhood resident: a resident of Census Tract 6, a former resident of Census Tract 6, or a graduate of the MAP program or the START program. There will be 4 Open House Meet & Greets over the next couple of weeks with the construction firm that will be handling this, which is McGann Construction. There will be a job fair in early November, when McGann gets its subcontractors on board. People can then come and reapply and try to get on the crews for subcontractors as well. Our goal is to have 12 people on board from the neighborhood by the middle of November, to help make the project work.

The third thing that came out of the discussion in a lot of the meetings that were had on Phase 1 was sustainability. We are pursuing LEED Silver on this project, even though earlier this week Olinger found out what that budget is and it is an eye-popping budget. However, we are still going to try to pursue LEED Silver on the project to get it certified, registered and approved. We are meeting with WECC and other providers to get that rolling as soon as possible. As it sits right now, the design is about 3 or 4 points away from meeting the LEED Silver requirements, even without doing some things. We are recycling about 90 percent of the construction material on the site, which has been

diverted from the landfill. We have a very strong recycling program with Habitat Restore; we ground up and are reusing all of the basement foundations and driveways for backfill for the street and sewer, and we recycled a lot of materials to other users in the neighborhood. Our goal will be to figure out moving into construction waste management once the building begins. Lastly, the Commission on People with Disabilities has talked a lot about this and is trying to get the project as accessible and visitable as possible. Right now, all 32 units of Buildings A & B will be visitable. There is a slight grade change in Building C and we are looking to see if we can change that to make the 5 middle units of Building C, which are the 3-story townhouses, visitable. There are 6 units that will not be accessible in any means and those are the second story flats at the ends of C, E & F.

The goal of Phase 2 will be the public infrastructure for the balance of the site. This is in City's Capital Budget right now. We will know in the middle of November whether the Council will approve the \$1.3 million for Phase 2. Once we find that out, we will move into the process of looking at the lots and doing the plat to get that in place so that once this thing begins getting completed next year, we can begin the process of selling lots.

Two things need to happen for us to move ahead on Phase 2 construction. We need to get Phase 1 done so we can move people out of the two Birch Hill buildings so that we can demolish the two Birch Hill buildings. Those two buildings are in the way of some of the streets so we need to get them out of the way to make some of the improvements work. The other thing is that we do not know what the schedule is yet. It might be a little earlier than what was done this year. The project started at the end of July and it was done in 100 days. If it starts a little earlier, it will be late Summer 2009 or early Fall 2009 before the infrastructure is done.

Once we break ground and get closing, Olinger will feel a lot more comfortable about moving to Phase 2. Virchow Krause, the market study firm for the tax credit portion of the project, also did a market study for the absorption of the condos and the single family at the site and the numbers were not encouraging, maybe one unit a month on the single family side, and maybe ½ unit a month on the condo side.

CDA has directed staff to look at how to make financing work. CDA has a meeting on October 16, 2008 and will address a Resolution recommending the appointment of our Project Manager for the site, which is Team Management out of Milwaukee. Once Team Management is in place, we will work with Team Management and Community Action Coalition to get residents ready to move into the new units, or whatever else they would like to do with their lives. We have not had the most important part, which is our property manager there so they can talk to residents and what it is going to take to get into the units next year. That should happen around November 1st.

Sparer asked about the budget. Olinger answered that when we hired Schrieber Anderson and Eppstein Uhen to be the site development team, they were hired to help get us through the PUD (Plan Unit Development), the specific implementation plan, so that is the general development plan for the entire 11 acres, and the specific implementation plan (SIP) for the apartment piece. The CDA has spent about a quarter of a million dollars out of its own funds to basically get through the schematics of Phase 1, plus the GEP. When

we got done with the schematic phase, we went back and asked what is it going to cost to get us through construction documentation and the site civil on the balance of the site. That is where we received the very big number from Eppstein Uhen, at which point we said we cannot afford this very big number and will need to find another firm to help get us across the finish line.

We will probably be over budget a smidge because by the time you start backing out of all of the stuff that needed to occur in the general development plan stage and all that, we have not really spent an exorbitant amount of money on the SIP level. When all is said and done, it should be okay. The bigger issue is that we lost about one month of work because of the change. There was no contract and it was a learning moment. The next time we go out for a construction contract, we are going to do it in phases, so that we can get the design conceptual, schematics and construction documentation in one bid, and then do written notices to proceed so that we do not have to do this change. If we would have known this six months ago, we could have changed it then. The timing was bad, but the number was problematic no matter when we found out about it. We did not have the money in our tax credit budget to make that happen.

Sparer asked about the tax credit partner and Olinger indicated that we are still doing due diligence. The program was before their internal review committee today; it is National Equities Fund out of Chicago. They are not going upside down. Through the structure of the deal, we are getting 92 cents on the dollar. We are doing better than market and we are coming out with more equity on this project than we thought last January.

Porterfield asked about the impact of WHEDA. It came out that because of the disaster this year, there are additional credits that are available for projects that are in the pipeline. Porterfield indicated that Olinger should call. Porterfield said there is \$30 million in extra credits in the flood commons in Southern Wisconsin and they are trying to figure out if they should remove the caps and remove the maximum amounts for credits.

Wilcox asked what CDA is doing regarding the Neighborhood Stabilization Fund and the potential use of those funds. Olinger asked Bill Clingan to take a look at the neighborhood stabilization stuff and to pull a group together to see what our options might be. Olinger's sense, in what he has heard from CDBG staff, is that Milwaukee will be a direct recipient and Madison will not. We will have to work through the State. Olinger is trying to get a sense of how many potential units of housing are out there. That is a tough number to find out. We are going to look at what the opportunities are and where the opportunities might be.

Wilcox asked if Olinger knew if CDBG staff have responded to the survey that the Department of Commerce has on their website, to which Olinger said he did not know but he would ask. Wilcox said they should respond as soon as possible. Wilcox then gave information on Neighborhood Stabilization. She said that the Neighborhood Stabilization Bill was passed in the end of July. \$38 million is coming to the State, outside of the funds that are going directly to Milwaukee. The program will look very much like a CDBG program. There are five eligible activities within the funds that they can be used for: purchase and rehab and sale of already foreclosed and vacant properties. It is not a prevention program.

Eli Judge showed up at 5:24 PM

Wilcox then said there is housing counseling money and funds that can be used for land banking. Wilcox is now retired from the Department of Commerce so she does not know everything they are doing now. Wilcox said the funds have to be committed very quickly. The Department of Commerce has requested input from organizations around the City as to what they would like to see the funds used for and to get some indication as to what regional areas are interested in the fund. Once that happens, probably some time in early November, something will come out from the Department of Commerce that says this is what the timetable looks like. They have to have a plan into HUD by December 1st.

Olinger said the other great thing about that plan, going back to tax credits, is that it allows a lot more flexibility on where you key in to find what would be a qualified census tract. Allied is a 9% tract, which means you can get more equity out of the tax credits. Truax used to be a qualified census tract, but is no longer a qualified census tract. Fannie Mae will be the construction lender as part of the Allied project. Olinger asked Fannie Mae how many foreclosed properties they had in the City of Madison; Fannie Mae only had 5 foreclosures in Madison.

Hirsch asked Olinger about revising the language in the Affordable Housing Trust Fund. Is there anticipation that this project will use those funds? Olinger said they have internally kicked around the idea of whether or not there might be loan potential there. It is something that will have to be looked at further.

Villacrez asked about the developer fee generated off of the tax credit. Olinger said there would be no developer fee at the end of this as they are contributing it to the cause. If there is a developer fee, we will deal with it, but the sense is that if there is going to be anything, it will be small, less than \$100,000.

Sparer asked about the attitude of the residents who are in the buildings that are still occupied. Olinger said many things have come out of the meetings with residents, but there are two he thinks are pretty interesting. We had committed to attending neighborhood dinners, which the Allied Neighborhood throws once a month. Last December, before we submitted the applications, we had these neighborhood meetings where people could come and talk. By the time we got to the last one, which was in May or June 2008, the question was not whether or not they liked the project, people were excited about it and wanting to pick out their units. There were actually residents from the neighborhood who said they would like to have certain lots. There are people who are thinking about the potential for what if in the neighborhood, as opposed to taking what's left. We gave some people money for their inconvenience to help out, and they gave it all back to us to help catch up on their rent.

Porterfield asked about crime and other issues like that. Olinger said that the police said crime has dropped significantly in the neighborhood in the last year. A lot of the issues that were visible in the neighborhood last year and the year before are not there as much. Some of the police presence in the neighborhood will be removed because calls in the area have dropped

significantly. The neighborhood is not fixed, but this is a start.

As for long range planning, the CDA has looked at how to stay relevant in the future. How do we maintain a vibrant, well cared for, desirable housing stock for the next 40 years? Obviously, we can help fix up what we have. We can also look at opportunities for land that we presently own and do something different. The long range planning committee has looked at the three large sites that the CDA has, where redevelopment could potentially occur: Truax, Triangle & Romnes.

The first look was at Truax for a few reasons. It is a big parcel, almost 20 acres. While it is in a very park-like setting, we thought there might be things to do at the site that would continue to keep it a desirable site, but add some opportunities for new housing. The East Madison Community Center was undergoing a million dollar expansion and we had a strong community center in the heart of the neighborhood and we did not have to create one. The third thing is the proximity to educational opportunities and other things at MATC. Fourth, there is already a strong neighborhood association within the site so we do not have to create a neighborhood association. Those are some real positive aspects to Truax that we do not have at the Triangle or Romnes.

Therefore, we hired JJR, their Chicago office, to work with the residents and CDA staff for a master plan for the site. They came back with a plan that said that we could conceivably double the number of units at Truax and still keep it within the recommendations of the comprehensive plan. We tried to reintroduce a sense of center, building upon the expansion of the community center and the desire of the residents to have good green space. We also desired to have better connections in a variety of housing units. We did work on five principles that we wanted to use in this, which was: that there would be no net loss of public housing and that we would not displace any residents of public housing so this would be a phased project to ensure that the residents would be a part of the conversation. We had 3 residents on the Truax Planning Committee and we have been to the neighborhood association many times. We also would try to promote mixed-income neighborhoods and to provide for a physical plan that would be more viable and sustainable for the community at the time. What you have here is saving some of the existing Truax buildings over time, perhaps reintroducing a new housing stock where some of the Truax buildings are, and maybe a couple of elevator buildings again for the disabled population.

We want this to be adopted by the City Council as an element in the City's comprehensive plan, so that we can move to the next level of design development so that we can see how we might phase this. The key to this site has been not only to think of it just as a public housing site, but how we might use a variety of financial mechanisms to help get the improvements done to the balance of the site.

We have engaged a consultant team out of Washington who has been very successful in getting Hope VI Grants. They do a lot of mixed finance and are working with us to try to help us decide what happens next. They are coming into town before the end of year and we will get a sense of where we are going. With staff capacity issues right now, this is not going to happen until one of the other projects gets going, such as Allied or the Villager, which are eating large amounts of Olinger's time.

We have done much less with Romnes and the Triangle. Olinger believes that the Triangle is a HOPE VI site. We need to stop avoiding the Triangle and think about what the future of that could be. We need to think about residents of Karabis at the Triangle. Romnes is a great site. There might be opportunities to look at that site in a different way. Some students at the Regional and Urban Planning School at UW, in 2007, did some schematics and some conceptual ideas about what could happen. Some of them were pretty interesting and that would provide for some senior housing and other things. Short term, those are probably not quite on deck.

Olinger would like to bring back the Long-Range Planning Committee in 2009. Wilcox asked if Olinger knew what elementary school would be with Truax, but he did not know. Truax is definitely long range, maybe 10 years off and in phases.

ROLL CALL

Present: 12 -

Greg L. Rosenberg; Tobi L. LeMahieu; Alicia Bosben Gebhardt; Susan K. Day; Thomas E. Hirsch; Brian A. Munson; Victor E. Villacrez; Judith M. Wilcox; Curtis V. Brink; David C. Porterfield; David R. Sparer and Eli Judge

Excused: 3 -

Detria D. Hassel; Brenda K. Konkel and Philip P. Ejercito

INTRODUCTION OF NEW MEMBERS AND GENERAL INFORMATION

Hirsch introduced new members, Alicia Bosben-Gebhardt and Greg Rosenberg. Bosben-Gebhardt indicated that she was in the minutes from the last meeting. She has managed properties for about 14 years. She is on the Commerce Association Board of Directors, second term, and before that was on the Legislative Committee. Greg Rosenberg, is the Director of Madison Area Community Land Trust, which is 1 of 200 Community Land Trusts across the United States. He is very active in the international organization. They are having a party on Monday, October 20, 2008 and Rosenberg passed out invitations. They won a national award for Troy Gardens and are having a reception for it. All are welcome.

Tom Hirsch indicated he is resigning on December 31, 2008. People who have suggestions for replacements or interest should get two forms from the Mayor's Office that need to be filled out. One is the Statement of Interest Form and the second one is a disclosure form about potential conflicts of interest. Ray Harmon said the forms are on the website as well. The Mayor will not usually take action until after someone leaves. The Housing Committee elects officials in January 2009.

Bosben-Gebhardt asked if you have to update the form every time something changes, on the financial disclosure form. Various Committee members said that you update it every year, just once a year. Wilcox indicated that you should still avoid any conflicts of interest.

PUBLIC COMMENT

None. Agustin Olvera was present but did not wish to speak.

11977 Creating an Ad Hoc Housing Merger Planning Committee.

Attachments: [Approved Amended Language for File 11977_Housing Committee.pdf](#)

A motion was made by Wilcox, seconded by Sparer, to amend Resolution 11977 as per the attached sheet with changes indicated (file uploaded as an attachment in Legistar File 11977 - Approved Amended Language for File 11977_Housing Committee.pdf). The motion passed by voice vote/other with Chair Hirsch abstaining.

Wilcox changed some of the language regarding low-income housing to affordable housing. She also changed the language regarding "pockets of poverty" to "concentration of low income households" which is something we would like to avoid if possible. She changed moving toward an expanded regional housing service by combining the housing operations. There should be 13 members including the names of 6 recommendations from the County Executive and members appointed by the Mayor and confirmed by the Common Council, and that 2 members shall be designated as co-chairs. Wilcox did not change any language regarding what the Mayor would like to see the Committee do. It would be a time-limited Committee and there would be an expectation that recommendations be made and available to the public by December 31, 2009.

Ray Harmon present at meeting to discuss Creating an Ad Hoc Housing Merger Planning Committee.

In the Mayor's State of the City speech this year, he mentioned that we should explore the possibility of merging the Dane County Housing Authority with the City Housing Operations. His vision is to have increased economically and culturally diverse schools in neighborhoods throughout Dane County. This Resolution creates the Committee, an 11 member body, which will soon be amended to 13 member body, to explore the options. A couple of things the Mayor would like to see the Committee do is to develop a regional housing strategy, as well as to define what a merger would be. We have some information from the City Attorney's Office that under current Codes of State Law, there is no provision for a merger. As such, part of the responsibility of the Committee we hope will be to look at some of the short term things that can be achieved through efficiencies like the combining of the Section 8 waiting lists and some other things as well. Harmon urges that the Housing Committee move to approve.

Sparer asked for clarification as to if it was merging the County and the City. Harmon said it is the Dane County Housing Authority with the CDA Housing Operations. Sparer then asked if it is completely merging them so that it can be one entity. Wilcox said the City Attorney said it is not a possible alternative under the current laws. Harmon said there is no provision in the State Statutes to allow the Housing Authorities to merge.

Porterfield said you could dissolve one, which Wilcox and Harmon said would have to happen. Harmon then said that is getting way out ahead of it. The word merger was used just as a frame of reference. It was not a word that was a legal term. Wilcox said it was a misnomer, to which Harmon agreed. Harmon then said it is looking at the coordination of services.

Porterfield then asked if it was focused on public housing and Section 8 numbers, or does the CDA have other lists. Harmon said that right now it is very broad. Looking at it more specifically will be the responsibility of the Committee.

Hirsch asked what the membership for the Committee would be. Harmon said 11 members, which will be amended to 13. The County Executives' Office has given a list of 6 names and the Mayor has a list of 6 names for the Committee. A member still needs to be added.

Sparer then asked if it was a joint Committee with County and City people, to which Harmon said yes. Sparer then asked if other areas have a Housing Authority, such as Monona. Harmon said other municipalities do have Housing Authorities, but he is not sure of which ones. Wilcox said that Monona does not have a functioning Housing Authority. Dane County has a number of properties in Monona that they manage. DeForest and Stoughton have Housing Authorities. Sun Prairie has a Community Development Authority. Wilcox is unsure of what Fitchburg has. Middleton had a Housing Authority and the Dane County Housing Authority has assumed that Housing Authority and it is now operating as the Middleton Housing Authority as well as Dane County Housing Authority. The Dane County Housing Authority has cooperative agreements with the Cities of Stoughton, Sun Prairie and Madison.

Harmon said the Committee will consist of two co-chairs, Judy Wilcox and Ald. Tim Bruer. That was part of the agreement with the County Executive, that there be two. The Mayor and the County Executive each get to appoint one.

A motion was made by Sparer, seconded by Judge, to recommend the Council adopt Resolution 11977.

A motion was made by Wilcox, seconded by Sparer, to amend Resolution 11977 as per the attached sheet with changes indicated (file uploaded as an attachment in Legistar File 11977 - Approved Amended Language for File 11977_Housing Committee.pdf). The motion passed by voice vote/other with Chair Hirsch abstaining.

Wilcox changed some of the language regarding low-income housing to affordable housing. She also changed the language regarding "pockets of poverty" to "concentration of low income households" which is something we would like to avoid if possible. She changed moving toward an expanded regional housing service by combining the housing operations. There should be 13 members including the names of 6 recommendations from the County Executive and members appointed by the Mayor and confirmed by the Common Council, and that 2 members shall be designated as co-chairs. Wilcox did not change any language regarding what the Mayor would like to see the Committee do. It would be a time-limited Committee and there would be an expectation that recommendations be made and available to the public by December 31, 2009. It is not a significant change.

A motion was made by Wilcox, seconded by Sparer, to RECOMMEND TO COUNCIL WITH THE FOLLOWING RECOMMENDATIONS - REPORT OF OFFICER (see attachment in Legistar File 11977 - Approved Amended Language for File 11977_Housing Committee.pdf). The motion passed by the following vote:

Excused: 2 -

Detria D. Hassel and Philip P. Ejercito

Ayes: 12 -

Greg L. Rosenberg; Tobi L. LeMahieu; Alicia Bosben Gebhardt; Brenda K. Konkel; Susan K. Day; Brian A. Munson; Victor E. Villacrez; Judith M. Wilcox; Curtis V. Brink; David C. Porterfield; David R. Sparer and Eli Judge

Abstentions: 1 -

Thomas E. Hirsch

APPROVAL OF MINUTES

A motion was made by Judge, seconded by Bosben Gebhardt, to Approve the Minutes of August 6, 2008. The motion passed by voice vote/other with Chair Hirsch abstaining.

ROLL CALL**Present:** 13 -

Greg L. Rosenberg; Tobi L. LeMahieu; Alicia Bosben Gebhardt; Brenda K. Konkel; Susan K. Day; Thomas E. Hirsch; Brian A. Munson; Victor E. Villacrez; Judith M. Wilcox; Curtis V. Brink; David C. Porterfield; David R. Sparer and Eli Judge

Excused: 2 -

Detria D. Hassel and Philip P. Ejercito

REPORTS08595 Landlord & Tenant Issues Subcommittee

None. The Subcommittee did not meet last month.

08596 Affordable Housing Subcommittee

Brink said the main issues are dealing with the uses of the Affordable Housing Trust Fund, and they have also had a great deal of discussion on the difficulty of people moving into their houses. Before, if someone went to buy a house, financing was more readily available. Even if someone today would have a credit score of 700, and all of the other factors, there may not be any money for them to be able to borrow. Each time we meet, there are some new rules coming through and as we just heard tonight, there is different money coming through and everyone is just trying to figure it out. Day said to correct the credit score number from 700 to 600. 700 is quite acceptable still.

11431 Common Council Update - Judge/Konkel

Konkel and Judge said they have been dealing with the Budget. Villacrez told Konkel that she missed Olinger's presentation on Allied and that a question was asked of him about the Trust Fund. Villacrez asked if there was anything that Konkel could update the Committee on. Konkel said there was nothing she was aware of.

Hirsch said that nothing is going into the Housing Trust Fund next year. There is no residual at the end of the year. Hirsch then said CDBG is down and then asked George Hank about the Building Inspection Budget. Hank said that we are down two and one-half vacant positions. Hirsch asked if given the level of activity was that realistic. Hank said one of the positions was a New Construction Inspector, which was allocated to a Minimum Housing Inspector's position. Earlier in the year, it was noted that new construction was way down and it is not going to rebound any time in the near future. So, we can easily cover the City with 4 staff members instead of 5. That is why we moved one of the New Construction Inspectors over to Minimum Housing. Hirsch asked what Minimum Housing was. Hank said they are the ones who deal with landlord/tenant issues and complaints on existing buildings. The New Construction people only deal with getting a building up and occupied.

Konkel referenced that she is extremely concerned that Hickory Hurie's job was eliminated. She thinks he was doing at least 60 hours of work a week before he left. What they have essentially done is taken Enis Ragland's position and Hickory Hurie's position, eliminated them, and then said Bill Clingan is new and he can do those jobs. Clingan must now staff four Commissions, plus the subcommittees, and do the work of both Hurie and Ragland. Konkel is extremely concerned about how that will impact this group. Konkel thinks Rood has been doing a good job of trying to staff the Affordability Subcommittee, but as the pressure increases on the staff in that office to do various things, she thinks it is going to be harder for them. Both CDBG and OCS have lost a lot of experience, essentially 80 hours less a week of staff. Konkel said we should look at the CDBG budget because some agencies were not funded and it could have some impact.

For the first time in the budget, we do see some of the housing funds that were not in there before. CDA now has a budget for redevelopment. 22 staff positions were cut and 25 were added, which is a lot of change. There were a lot of proposals because the agencies were required to do a 5% cut. Some of the cuts were taken and some were not. We received better fuel projections back than what was thought. There was more money from the State than was originally thought. There was a lot of good news in the budget, but all of the media is saying what a horrible budget year it is. A rate was locked in for fuel for the Fleet and we ended up saving half a million dollars. Instead of applying that half a million dollars to some of the cuts that went everywhere, they restored the COLA increases for the Office of Community Services Groups and then they applied it back to the fund balance. Budget amendments for Board of Estimates are due next Tuesday, October 21st. The process is moving very quickly.

The Affordable Housing Subcommittee meets tomorrow at 12:00. Porterfield said there might be an opportunity to create a land bank of some kind with the Affordable Housing Trust Fund. It would be money coming in chunks to buy certain kinds of properties and those properties that are going to take time to

be redeveloped in many cases. Some place has to do that and having additional funds available to match what the Trust Fund would have, and then having the ability to recapture those funds when you've sold the housing to somebody. It is sort of like funding a bank, but the land bank is specifically targeted to that kind of property. Wilcox said it is foreclosed properties. That is why Wilcox was stressing that there should be some collaboration and some discussion. Wilcox thinks there is a Dane County CDBG meeting on Friday to talk about what is going on within the County, but she does not know who has been invited to the meeting. Wilcox said that people need to be getting together to talk about what is the best strategy for getting as much money into the County as we possibly can, and doing as many things as we possibly can within the five categories that you would use the money for. We are not going to do it by competing against one another.

DISCUSSION ITEMS

10691 Inclusionary Zoning Ordinance Evaluation Study prepared by the Department of Planning & Community & Economic Development

Attachments: [IZ Report 4/14/08](#)
[IZ Annual Report-9-23-08 LC.pdf](#)

The Inclusionary Zoning Policy Committee was made up of realtors, developers, Alders, and past Alders. Konkel, Munson, Brink and Hirsch have all worked on this. There were wide ranging discussions and Hirsch said that for people with such diverse views that there is a wide-range of recommendations. There is not a coordinated recommendation because differences could not be resolved. This is probably a reflection of what is happening in the community. One of the things that they all agreed upon was outside of IZ, there are other City efforts that really do need to be supported, such as making the Housing Trust Fund available and doing a few more things to help people on the consumer side afford housing.

The report clearly provides problem areas and it was presented to the Mayor and the Common Council. Konkel said this report is not the final report and there is more work to be done and there are attachments.

The IZ Committee tried a market study in the last year with a consultant, to try and get some methodology formulated and to gauge what the depth of the market was for IZ. This was not productive. People will see wide disparities in people's evaluations and how deep the market is for IZ. No action is required by the Housing Committee.

10714 Housing Committee Annual Report

1. Purpose
2. Contents
3. Format
4. Timing

This Agenda item was not discussed.

NEW BUSINESS

11764 Parliamentary Procedure at a Glance and Pamphlet

Attachments: [Parliamentary Procedure.pdf](#)

This Agenda item was not discussed.

12267 Housing Committee - 2009 Meeting Dates

Attachments: [2009 Housing Committee Schedule.doc](#)

This Agenda item was not discussed.

12268 Alternate Rent Abatement Hearing Examiner
Direct Landlord & Tenant Issues Subcommittee to find a replacement Alternate Rent Abatement Hearing Examiner

Hirsch asked Hank about this being put on the Agenda. Hank said that our Alternate Rent Abatement Hearing Examiner does not wish to have his contract renewed at the 1st of the year, so we need a replacement for him. Hank is asking the Housing Committee to ask the Landlord & Tenant Issues Subcommittee to work on obtaining a replacement. The process is that we advertise for candidates to apply, interview, and then select a Hearing Examiner. Hank will ask that the current hearing examiner stay on until we get a new alternate. Tom Boykoff and Tom LaFleur are the current Hearing Examiners.

A motion was made by Wilcox, seconded by Konkel, to Refer to the LANDLORD AND TENANT ISSUES SUBCOMMITTEE to start the hiring selection process to find a replacement and report back to the Housing Committee as soon as possible. The motion passed by voice vote/other, with Chair Hirsch abstaining.

UNFINISHED BUSINESS

06811 SUBSTITUTE - Amending Section 4.22 of the Madison General Ordinances to update language and terms in the Affordable Housing Trust Fund ordinance.

Attachments: [Housing Trust Fund 04022008.pdf](#)
[Report Card Housing 2007.pdf](#)
[Version 1](#)

A motion was made by Sparer, seconded by Wilcox, to RECOMMEND TO COUNCIL WITH THE FOLLOWING RECOMMENDATIONS - REPORT OF OFFICER, with the addition of "or rehabilitation/rehabilitated" in 4b and 4m. In 4b, last line "rehabilitation or creation of Assisted Units". In 4m, second line, "created or rehabilitated by a disbursement from the Trust Fund. For each Assisted Unit created or rehabilitated...".

This issue comes from the Affordability Subcommittee. Hirsch said this changes some of the terminology to clarify the households that are eligible to

be assisted from the Housing Trust Fund. The second part is in Section 4, Trust Fund Distribution; previously the Trust Fund was restricted. The desire is to get this fund out onto the streets and available to help to strengthen this economy. The restriction on the availability of funds is struck and some of the uses are expanded to encourage people to use the Fund both for rental rehab and for creations of new dwelling units.

Konkel said in 4A, it says if there is over a million dollars in that, up to half of whatever that excess over a million dollars is, can be spent on any one project. Before that, it just said only if it is over 10 million could you spend more. So now, if there is 4 million dollars in the Fund, then 3 million dollars is available to be spent, and up to half of that can be spent on any one project. So 1.5 million would be the amount that could be spent on one project, in this scenario. Konkel said they did not want everything going into one project.

Another thing of concern is where it says it can be used for some operating funds. The intent of that is to say that if we took some money and made it available for a down-payment program, you just cannot give the money to the down-payment program and not have some money available for staff to administer, and that is the intent of that language. Wilcox asked if there would be a limit on that, and Konkel said it would probably be up to the CDBG Commission to determine that.

Konkel said 4b is the location where it expanded what the money can be spent for. In 4m, that was actually, the working assumption was \$25,000 per unit, language that we put there so we had a record of it somewhere.

Hirsch noted that when Konkel added retro-rehabilitation and accessibility modifications as permissible uses, some of the language, like in the last sentence of the use talks about the creation of assisted units, we should say the creation or rehabilitation of assisted units, because now we're adding those uses. Konkel said that should be part of the motion if the Housing Committee passes it tonight.

Hirsch thanked Konkel for pursuing this issue.

A motion was made by Sparer, seconded by Wilcox, to RECOMMEND TO COUNCIL WITH THE FOLLOWING RECOMMENDATIONS - REPORT OF OFFICER, with the addition of "or rehabilitation/rehabilitated" in 4b and 4m. In 4b, last line "rehabilitation or creation of Assisted Units". In 4m, second line, "created or rehabilitated by a disbursement from the Trust Fund. For each Assisted Unit created or rehabilitated...". The motion passed by the following vote:

Excused: 2 -

Detria D. Hassel and Philip P. Ejercito

Ayes: 12 -

Greg L. Rosenberg; Tobi L. LeMahieu; Alicia Bosben Gebhardt; Brenda K. Konkel; Susan K. Day; Brian A. Munson; Victor E. Villacrez; Judith M. Wilcox; Curtis V. Brink; David C. Porterfield; David R. Sparer and Eli Judge

Abstentions: 1 -

Thomas E. Hirsch

Attachments: [BI Permit Report](#)

George Hank reviewed the Permit Report in the packet with the Housing Committee. The cover page is a snapshot from the website showing the permit reports that are available online. Hank explained that the permit reports are usually available online by the first business day following the month. The second page is a chart summarizing a number of dwelling units added in a given year. We topped out in 2003 close to 2,700 dwelling units. The blue column is single-family, which is a subset of the total number of dwelling units. In 2002, we topped out at 912 single-family dwelling units. As you can see, it has steadily gone down from that in 2008 and it will probably be somewhere around 200 single-family dwelling units. That is one of the reasons we can do our job with one less new construction inspector. There are samples of permit summaries included in the packet from the years 2003 – 2007. After the permit summaries are permit comparisons, which compare month by month from 2008 to 2007. You will then find permit comparisons for December 2006, 2005 and 2004. With these you not only get the comparisons for the month of December, but also annual summaries.

[08594](#) 2009 Goals DiscussionAttachments: [Goals Discussion](#)

Hirsch asked for ideas from the Housing Committee on what they would like to accomplish in the upcoming year. There are a couple things on the Agenda that the Committee never got to this year.

Munson had two ideas. One is picking-up some of the IZ Committee initiatives, which was trying to get a better understanding of the housing situation citywide. We need to collect the data. There is a lot of data out there but we need to have it referenced by neighborhoods or some kind of division so that we can start to understand the general characteristics of neighborhoods, owner occupancy, rental, age of housing, price of housing, those kinds of things. Munson thinks the City Staff has the ability through GIS to reference a lot of this data together into one point so that we would have a better understanding of when we're talking about what neighborhoods need what or what programs are working, targeting different areas. The IZ study tried hard to do that, but it was through the lens of specific definitions of affordability. It fell down and did not work. The second piece Munson would like to see the Committee tackle, and the Affordable Housing Subcommittee has started tackling it, is to look at the programs we have and compiling information so that we can relate the different programs to each other, both in what is the target and what is the funding, etc. There is probably a list of 10 or 15 things that the Committee came up with of how to compare different programs. It does not seem like different departments are sharing information. We need an annual report that summarizes this is what the City as a whole is doing for affordable housing or housing initiatives so that we can then maybe compare that against what the City demographics look like and see other opportunities. How do our various programs interact with or understand opportunities for piggybacking to other funding sources? Munson thinks the starting point of

both is just getting that all into one report, potentially on an annual basis, so that the discussions have a common theme.

Konkel thinks all of Munson's ideas should be in the Housing Report. It is critical we have an annual Housing Report with those types of things. However, we need to get Andrew Statz to a Housing Committee Meeting to talk about the Neighborhood Indicators Project to see how much of this can be part of that project because he has money to do it and we have data to be used there. We have all of the addresses of people who have been evicted and that is a piece of data that should be in those indicators. We need to make sure that we know what we're talking about. Konkel also thinks the Police Department should tell us about the problems and that landlords need to be licensed. Konkel thinks a discussion needs to take place on landlord licensing. Konkel thinks we need an affordable housing report as well.

Wilcox said the Joint Task Force would be looking at this, but not just on a City basis. It would be on a Countywide basis. We should not be burdening staff to collect all of that information. We should be working collectively to get that information.

Porterfield said as a shorter-term issue, someone should be collecting some information on the nature of the foreclosure phenomena in our community and the issue of the tax credit bonus that is coming as a result of a disaster. This is a very disconnected thing that the Federal Government did. Wilcox said there would be additional CDBG money as well as a result of the disaster.

Rosenberg has four things he thinks should be addressed. Rosenberg wants to discuss the approach the City Attorney's Office is taking in regard to the property tax exemption for low-income housing rentals. There have been meetings with the Mayor and the City Attorney's Office for over a year about this. They thought they had an agreement that the City would not change their policy until the State Legislature acted, and it turns out that the City Attorney's Office has been arguing quite actively in recent litigation, and won by getting an affordable rental housing project declared back on the tax roll. The Mayor says we support affordable housing and the work of the organizations, but if these projects go back on the tax rolls, then the projects will fail and some organizations might fail. Second, what is the implication for non-profits if the CDA is developing? Is the CDA going to be accessing CDBG funds? If the CDA's activity comes at the expense of non-profits doing housing development work, there are serious implications. Third, what is the actual housing affordability gap? Finally, how do we take advantage of a down market in the service of affordable housing? Should we be banking land while it is cheap?

Hirsch said the Committee should attempt some oversight on CDA as a developer and as a Housing Operation. There was quite a bit of resistance on the CDA side. There is nobody else in City Government watching the CDA as an organization. It is wonderful to see them reviving their role as a housing developer, because that is an appropriate role for them, but Hirsch does not know if anyone has asked any big questions about what is their future and whom they are serving.

Wilcox asked if a member of the Housing Committee should also be a member of the CDA. That would be the most logical way to know what is going on and to get the message back to the Committee.

Konkel wants to reconstitute the Housing Committee. Take the Landlord & Tenant Issues Subcommittee and have it be the Landlord & Tenant Issues Committee. Take the Affordability Subcommittee and have it be the Affordable Housing Committee. Then have a Housing Committee that would have members from Tenant/Landlord and members from the Affordability Committee, and CDA members, and members from various other Committees and put them all together and say that is our Housing Committee so that there is a place with real communication about housing issues across all of those committees. Konkel sometimes feels like the Housing Committee does not have a real purpose as a whole. A lot of work gets done in the Subcommittees and that is important, and it makes her waste a lot waiting for something to get referred and then referred back.

Hirsch brought up the comprehensive Zoning Re-write that the City is going through. How does that affect housing? There are a lot of ramifications to this.

Hirsch would like to keep Goals Discussion on the Agenda. All members who made statements should draft out a few sentences or a paragraph describing what their ideas are, from which we might be able to start to put together a work plan and to identify some of the tasks that the Housing Committee would want to do.

ADJOURNMENT

As it is after 7:00 PM, Hirsch asked for a motion to adjourn. A motion was made by Wilcox, seconded by Porterfield, to Adjourn at 7:05 PM. The motion passed by voice vote/other with Chair Hirsch abstaining.