



# City of Madison

City of Madison  
Madison, WI 53703  
[www.cityofmadison.com](http://www.cityofmadison.com)

## Meeting Minutes - Approved COMMUNITY DEVELOPMENT AUTHORITY

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Thursday, December 8, 2016

4:30 PM

210 Martin Luther King, Jr. Blvd.  
Room 108 (City-County Building)

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[35867](#)

### SCHEDULED MEETINGS:

Regular CDA Meeting: January 12, 2017, 4:30pm, GR27, CCB

### CALL TO ORDER / ROLL CALL

Staff: Natalie Erdman, Tom Conrad, Lisa Daniels, June Garvin, Kris Koval, Nancy Prusaitis, Liz Robers-Yszenga, Sally Jo Spaeni, and Matthew Wachter

Chair Dean Brasser called the meeting to order at 4:34pm.

**Present:** 5 - Sheri Carter; Daniel G. Guerra, Jr.; Sariah J. Daine; Dean Brasser and Claude A. Gilmore

**Excused:** 2 - Sara Eskrich and Lauren K. Lofton

### 1 APPROVAL OF MINUTES: November 10, 2016

A motion was made by Guerra, Jr., seconded by Gilmore, to Approve the November 10, 2016 Minutes. The motion passed by voice vote/other.

### 2 PUBLIC COMMENT

None

### 3 DISCLOSURES AND RECUSALS

None

### 4 [32700](#)

### COMMUNICATIONS

- Nancy is retiring. Her last day of work is December 16th.
- Tom Conrad introduced the three property managers
  - Sally Jo Spaeni, Triangle
  - June Garvin, East Side
  - Liz Robers-Yszenga, West side - Romnes
  - Lisa Daniels - Office manager & supervises eligibility coordinators
- Completed our move. Housing/CDA Redevelopment, Economic Development, Community Development Division, and Traffic Engineering are located at 39 West Mifflin Street.
  - Planning & Building Inspection are located at 126 South

Hamilton Street.

- We will be housed at the temporary spaces for about two years.

5      [45009](#)      7941 Tree Lane Update

Matt Wachter provided the update. Identified second phase of affordable housing for families. Acquired property to remove deed restriction and also add some senior housing (50 units of senior/low-income housing). CDA would acquire site, remove deed restriction and then sell it back to the developer. Dry cleaner next door. Trace amount of dry cleaning chemicals in soil test. Engineer we talked to said it's not a big deal. There are ways to mitigate it. Need to wait before we purchase the property.

5A      [45345](#)

CDA Resolution No. 4202, authorizing the execution of a Property Management Agreement between the CDA and Flad Development & Investment Corp. for the property located at 7941 Tree Lane.

- Matt said that this is a property management agreement for when we own the property and before we sell it to the developer. Flad Development has been manager of the property since it was built. Also talked to Siegel Gallagher. Flad agreed to do it for \$900/month. Siegel Gallagher decided not to bid on it. They already know the tenants. Agree to be flexible. This is a good deal.
- If they don't get tax credits, we would apply again in November/December for next round of tax credits. Would also ask them to look at alternative funding.
- Funded through City Land Acquisition fund \$250,000 and \$500,000 of CDA reserves. Will get our money back when the property is sold.
- Sariah Daine asked about neighborhood input. Matt said 75+ people showed up at the neighborhood meeting. Not overly positive. People aren't comfortable with the family project. The Alder is supportive. There's a group of people who are supportive and some are not.
- Building is currently 75% occupied.
- Apply in March for tax credits. Another round in November/December 2017.
- Plan A - Completely out of both parcels in a year.

**A motion was made by Guerra, Jr., seconded by Carter, to Approve CDA Resolution No. 4202. The motion passed by voice vote.**

6      [41675](#)      HOUSING OPERATIONS MONTHLY REPORT

Tom Conrad provided the Housing Operations update:

- Reworking monthly report to the Board. Will have new format for January.
- SECTION 8
  - Asked twice to spend reserves in S8 Program. HUD's projections looked pessimistic. Deficit was only \$557,000 instead of \$800,000 predicted. Have been able to add over 100 additional families to

program. 2015-1600 families per month. This month - 1700 families.

- January - Estimate of year end financials for whole agency and each program separately. Randy Whitehead will also attend.
- March - Final report on 2016 finances.
- May - Quarterly financial reports.
- PUBLIC HOUSING
  - Running below 98% vacancy rate. Still working with HUD to get permission to dispose of the 28 units that are adjacent to Truax public housing site. Now running Rapid Rehousing.
  - New guidelines coming out.
  - Allowed us to demo eight units, but won't give us permission to take the other units down until we tell them what we want to do. Don't have a plan for when the Rapid Rehousing is over.
  - Experienced three fires in the last seven days, one of which was smoking related. One of our workers put out the first fire. All three cases, no injuries. Maintenance workers helped put out two fires. One under investigation. Security cameras are there. Do have on-site security, but they rotate between all three sites so there isn't someone there all the time.

6A      [45314](#)

CDA Resolution No. 4201, authorizing the implementation of a Smoke-Free Building Policy.

Tom Conrad explained the resolution to the Board:

- Lease amendment will be started in January (see attached resolution & lease amendment). Going beyond what HUD is requiring. Want to ban smoking at all public housing and multifamily sites including grounds (out to sidewalk). Ban lit smoking, prohibit tobacco use, including electronic cigarettes and hookahs.
- Want to maximize health benefits to non-smokers, especially children and the elderly. Assist those who do smoke to quit.
- Nina Gregerson, Public Health Specialist with Madison/Dane County Public Health, met with residents at Triangle. Two different presentations at each property. Met with people at Truax. Meeting scheduled at Romnes next Monday. Here to assist in any way possible.
- HUD has adopted it as an official policy. Have 18 months to get this done, but why the City plans to implement it in January 2018.
- Truax Phase 2 is a non-smoking building.
- Nina: There has been research done that shows people who have mental health issues want to quit, but don't have the resources. Further evidence shows that when people quit smoking, their behaviors become better because their medications work better (schizophrenics).
- Natalie Erdman said Public Health is helping us with this.
- Tom said the most successful program is nicotine replacement therapy along with support groups. More than most housing authorities

are deciding to do.

- Nina: FDA nicotine medication is covered by insurance, but if they don't have insurance, there are other routes to get the medication.
- Triangle-85% of residents use tobacco products.
- Policy will go into effect January 2018.
- Fairly common in marketplace.
- Seven percent of adults smoke now.

**A motion was made by Guerra, Jr., seconded by Daine, to Approve CDA Resolution No. 4201. The motion passed by voice vote.**

7      [20808](#)

THE VILLAGE ON PARK

7A     [44403](#)

The Village on Park Budget Update

Kris Koval, City Real Estate Agent, provided the update of the 2017 Operating & Capital Budget (attached).

- Income over 2015 & 2016 - conservative #. Public Health expanded into Vet space that was never leased. Taking Mum's space.
- Madison College - Not going to be expanding at the property. Exercising their two-year renewal.
- HeadStart: Lease expiring in June.
- Metro coming in Suite 109 (only vacant space except for north building). Resolution will be presented shortly for six months. Next to EAP space. Small space. Moved 40 desks from MMB.
- Storm deductible should hit in 2016.
- Net operating income - less than 2016. Substantially up from 2015. Public Health reimbursement.
- Need to redo roof over Atrium. Cannot put another layer on. Tear off. One layer was screwed onto the metal and there is asbestos. Encapsulation instead of remediation because it's cheaper. Quote from Tilsen Roofing. Might have to go out with an RFP.
- Phases - relocate tenants into north building and house them while their section gets redone.
- Phase 2 of alley work - redo asphalt and pitch it away from building
- Capital Budget - flood in Space Place. Replace carpeting (\$14,000) in classroom. Remaining carpeting will be covered under insurance.
- Tenant improvements for Madison College lease
- Have to amend budget because of flood for \$189,000.
- Natalie: Five-year plan. Taking north building down which could then be used for parking. Could probably sell one of the outlots to generate some revenue or develop something in back corner and create something else. What is the vision when we take down the north building? What do we do when we lose cash flow from Madison College?
- Dan Guerra is interested in what the development community thinks about the site. And the neighborhood/community. Market potential for usage.

- Ald. Sheri Carter said there is also interest in the Thorstad property.

**A motion was made by Gilmore, seconded by Carter, to Approve the Village on Park 2017 Operating and Capital Budget. The motion passed by voice vote.**

8      [25012](#)

MOSAIC RIDGE UPDATE

8A      [45378](#)

CDA Resolution No. 4203, authorizing the CDA Executive Director to sell the property located at 2411 Allied Drive and issue loans for \$63,000 and \$12,100 for a low-income buyer.

Matt Wachter provided the explanation.

- We built the house. Not selling the land separately. Selling it all as one transaction. That property is ready to be sold tomorrow (Alice Howard). Authorize a loan for \$63,000 as her second mortgage. Shrinking the size of the amount. Appraisal came in a bit low. Forgivable loan of \$12,100 to cover the land portion of this transaction.
- First mortgage with bank of \$65,000
- S8 Homeownership Program
- Doing this for two households.
- Under 50% of median income.
- Fourth buyer on Allied.
- Fifth house.

**A motion was made by Guerra, Jr., seconded by Carter, to Approve CDA Resolution No. 4203. The motion passed by voice vote.**

9      [44742](#)

TRIANGLE REDEVELOPMENT UPDATE

Matt Wachter said there is no update at this time. He is on Bayview Foundation's agenda next week. Natalie said we are still working on a neighborhood plan for next year. TID across the street from here from generators that already exist.

10      [35665](#)

ALLIED DRIVE UPDATE

Matt Wachter provided the update:

- Group in the neighborhood who is looking to create a co-op grocery store in the area. Asked to look at one of our sites (third parcel that fronts Allied Drive).
- Allied Park: Just got rezoned. Moving along.
- Ald. Sheri Carter asked about request for community center. Natalie responded there is no funding in the budget for that. No one in the City is working on that.
- Matt said if the co-op grocery gets in there, that could be a part of that.
- Natalie: South of Revival Ridge and west of park land.
- Matt: Waiting to see if it's feasible.

11      [35133](#)              CDA EXECUTIVE DIRECTOR'S REPORT

No report at this time.

12      [36526](#)              BUSINESS BY THE COMMISSIONERS

None

13      [45313](#)              Annual Statement of Interest Due January 3, 2017

14      **ADJOURNMENT**

A motion was made by Daine, seconded by Carter, to Adjourn at 6:23 pm. The motion passed by voice vote.