



## Legislation Text

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File #: 42905, Version: 2

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### Fiscal Note

The proposed resolution amends the CDA Redevelopment 2016 Adopted Capital Budget to appropriate \$800,000 to support the purchase of 7941 Tree Lane. Funding for the appropriation will be split between General Land Acquisition (\$250,000) and CDA reserves (\$550,000). Upon acquiring the property the City will identify a developer to execute a project that will include senior housing, mixed-income housing, and transit oriented development. The current balance of the General Land Acquisition fund is \$1.1 million.

### Title

SUBSTITUTE - Direct The Community Development Authority of the City of Madison ("CDA") to purchase 7941 Tree Lane and issue a request for qualifications ("RFQ") for development and property management services relating to the development and operation of mixed income senior housing and amending the 2016 Adopted Capital Budget to appropriate \$250,000 from General Land Acquisition and \$550,000 from CDA reserves to support development efforts.

### Body

WHEREAS, on December 2, 2014 the Common Council passed resolution number 14-00906 directing Housing Strategy Committee to develop recommendations for a housing policy that promotes transit oriented housing for seniors. The policy should support safe and affordable housing with access to transit and amenities for older adults; and

WHEREAS, in November of 2015 staff submitted the Senior Housing Chapter of the Biennial Housing Report which was referred to the Housing Strategy Committee, the Committee on Aging, and the CDBG Committee, the Council accepted the Senior Housing Chapter in February of 2016; and

WHEREAS, on February 23, 2016 the Common Council accepted the Senior Housing Chapter of the Biennial Housing Report which recommended "For seniors that can no longer stay in their homes due to affordability, work to ensure the creation of affordable senior housing throughout the city to allow them to continue to age in place" and "create a city-led pilot project combining senior housing, mixed-income housing, transit oriented development with a strong connection to services and healthcare on an infill site" which "would likely require a City RFP process and possibly site acquisition and City participation through subsidy for the low-income component, onsite services, and transit"; and

WHEREAS, in January of 2015 the City of Madison granted an Option to Purchase the City owned Parcel at 7933 Tree Lane to the Community Development Authority ("CDA") for the development of 45 units of Permanent Supportive Housing for families experiencing homelessness which included as a condition that the City of Madison would ensure the removal of the deed restriction on the parcel held by the owner of 7941 Tree Lane ("the Property"); and

WHEREAS, the owner of the Property has offered the Property for sale to the Community Development Authority of the City of Madison as a condition of removing the deed restriction on 7933 Tree Lane; and

WHEREAS, Planning, Community, and Economic Development Department staff have determined that the Property is proximate to amenities (retail, grocery, transit, pharmacy), properly zoned; of sufficient size, and economically feasible for the development of 50 to 60 apartments with first floor commercial space; and

WHEREAS, the Affordable Housing Market Report and Senior Housing Chapter of the Biennial Housing

Report identified Low Income Housing Tax Credits as a key component of financing affordable rental housing and applications for the next available round of Low Income Housing Tax Credits are due in January 2017; and

WHEREAS, Madison General Ordinance Section 3.69 ( more recently renumbered to Section 3.17 MGO) creating the CDA empowered the CDA to act as the housing authority pursuant to the Housing Authority Law at Sections 66.1201 through 66.1211, Wis. Stats. Such powers include the power to provide safe and sanitary dwelling accommodations for persons of low income; and

WHEREAS, the City of Madison and the CDA lack the staffing capacity to provide all of the development and financing services necessary to develop a multifamily senior housing development in a timely manner.

NOW THEREFORE BE IT RESOLVED that Mayor and the Council direct the CDA to execute a Purchase and Sale Agreement for 7941 Tree Lane on substantial similar terms to those outlined in Exhibit A, conditioned on approval by the CDA Board, all in a form to be approved by the City Attorney;

BE IT STILL FURTHER RESOLVED that ~~Mayor and the Council authorize a~~ the 2016 Adopted Capital budget is amended to appropriate \$250,000 from General Land Acquisition and \$550,000 from CDA reserves ~~budget amendment of \$250,000 from the City's Land Acquisition Fund and \$550,000 from the CDA reserves~~ for the acquisition of the Property to facilitate the development of a city-led pilot project combining senior housing, mixed-income housing, transit oriented development with a strong connection to services and healthcare as well as the release of the deed restriction on 7933 Tree Lane; and

BE IT STILL FURTHER RESOLVED that the first \$250,000 of proceeds from the sale of the property at 7933 Tree Lane will be returned to the City's Land Acquisition Fund and all proceeds from the sale of 7941 Tree Lane will be returned to the CDA reserves ; and

BE IT STILL FURTHER RESOLVED that Mayor and the Council direct the CDA to draft and issue a RFQ for development and financing services and property management services for the development of approximately fifty to sixty units of mixed income, senior housing. The RFQ will include but not be limited to a request for experience in development and property management for senior housing and experience applying for, receiving and selling Affordable Housing Tax Credits; and

BE IT STILL FURTHER RESOLVED that Mayor and the Council direct the CDA to establish a five (5) member ad hoc committee to review the responses to the RFQ. The CDA shall staff the committee; and

BE IT STILL FURTHER RESOLVED that Mayor and the Council direct the CDA to report back on further action regarding the development of senior housing at 7941 Tree Lane; and

BE IT FINALLY RESOLVED that Mayor and City Clerk are authorized to execute, deliver, accept and record any and all documents and take such other actions as shall be necessary or desirable to accomplish the purpose of this resolution in a form approved by the City Attorney.