



City of Madison

Meeting Minutes - Amended

COMMUNITY DEVELOPMENT BLOCK GRANT COMMISSION

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

Thursday, October 4, 2007

5:00 PM

215 Martin Luther King, Jr. Blvd.
Room 260 (Madison Municipal Building)

CALL TO ORDER

Sanders called the meeting to order at 5:06 PM.

ROLL CALL

Present: 8 -

Tim Bruer; Marsha A. Rummel; Monya A. Choudhury; Arthur V. Robinson;
Lina Trivedi; Steven C. Bartlett; Justin O. Markofski and Charlie R. Sanders

Absent: 1 -

Kristina L. Dux

Excused: 2 -

Thuy Pham-Remmele and Carl G. Silverman

Staff present: Hickory Hurie, Mary Charnitz

PUBLIC COMMENT

No one wished to make any comments at this time.

WELCOME-CHAIR'S REPORT

There was no report.

STAFF REPORT FOCUS ITEM

A Discussion with Mayor Cieslewicz.

Mayor Cieslewicz said that the Common Council passed two resolutions, one adopting the Allied Task Force recommendations and the other adopting a preferred method of reaching goals by working with the CDA and transferring the Hauk properties to the CDA, which will act as the major developer of those properties.

The Mayor said that now we're getting down to details of how we will be transferring the properties to the CDA. Issues to consider are how much affordability we want to have and how much of the cost we want to recover from taxpayers (more from taxes equals less affordability).

The City has asked Tom Landgraf to come up with pro formas for the project.

The CDA is shooting to introduce their plan by October 16, after which it will be referred to the CDBG Commission for vetting.

Discussion highlights:

- The proposed timeline works out with tax credits as long as the plan is approved in November.
- The City had a positive meeting with the WHEDA representative as to what we're doing in Allied.
- Rumors about using money from the Affordable Housing Trust Fund (ATHF) for roads are not true. The ATHF could be used to write down the cost of developing property, the cost of demolition, and the cost of infrastructure.
- Funds for the ATHF come from several sources, and the City has no way of knowing for sure when it will receive another infusion of money for the ATHF, which is up to about \$800,000 right now.

Hurie said that the CDBG Commission has generally been concerned with a balanced approach and has appreciated the role of the private sector in development and asked the Mayor speak to that.

Mayor Cieslewicz said that he would hope the City would work with both for-profit and non-profit private sector groups as much as possible to develop housing. He said he has had discussions with some developers, such as the for-profit company Gorman and non-profits Habitat for Humanity and Operation Fresh Start.

The Mayor said that the City also meets periodically with the mayor and other representatives from Fitchburg about progress in Allied.

Sanders explained the Commission's concern about neighborhoods.

Robinson asked what role economic development would play in the Allied plan. The Mayor said that two economic development programs are currently in operation in the Allied area, the MAP program and the START program. Ragland said the City is also working with the Financial Education Center at the Villager Mall and with the Allied Stakeholders group.

Rummel asked the Mayor what his vision is for the CDA in Allied and what the practical firewalls are between City employees and the CDA.

Mayor Cieslewicz said he sees CDA as the development arm of the City. He has met with developers who said they would like to see CDA involvement in Allied. The primary selling point for the CDA is their ability to develop a plan and application to WHEDA, as well as to act as quickly as possible. He said the CDA would hire a project manager for Allied as part of plan.

Ragland said that CDA will ensure that housing remains affordable long-term, unlike private developers.

Konkel said that language in the 2008 budget implied that ATHF money will be used for roads, and Stuart Levitan and Mark Olinger have said that the CDA plan needs money for land and for roads. She said that Ordinance 4.22 requires that disbursements from the ATHF must be approved by the CDBG Commission before ATHF money can be spent.

Mayor Cieslewicz said that the City would welcome CDBG partnering with the CDA in planning, given CDBG's investment in and ownership of properties in the area. He said that his office would try to get as much input from Hickory Hurie as they could before the

plan is introduced on October 16, 2007.

B. Confirmation of Bill Clingan as Director of Economic & Community Development Division.

Bill Clingan introduced himself and said he is excited about the opportunity to work with the City. He said this move is a logical progression in his career path and that he loves the City of Madison. Clingan said he was born in Missouri and moved up to Madison when he was in junior high. He graduated from Memorial High School and attended the University of Wisconsin at Madison where he earned both a bachelor's and a master's degree. He said he grew up on the west side and lives on the near west side now.

Clingan gave his work history. He said he has been in the workforce training field since the 1980's and has worked at Dane County Human Services, where he started the Dane County Connections program, and the State of Wisconsin Department of Workforce Development, where he worked with unemployment compensation. Clingan said he also served on the Madison Metropolitan School Board from 2003 to 2005.

Clingan said that his experience in workforce development directly ties in to the economic development portion of his new City position. He said that a successful workforce is a key economic growth driver and believes that was the prime focus for the City selecting him as the Economic and Community Development Unit Director. He said that for a successful workforce, he would work closely with the various units in the Economic and Community Development Unit on issues including childcare, senior support, neighborhoods, and business services for employers. These all fit together, work together, and need to be connected for a community to grow economically.

Delora Newton of the Greater Madison Chamber of Commerce registered to speak in opposition to Bill Clingan's appointment.

Newton acknowledged that Clingan is good person with good skills; and while he might be a good fit for the community development portion of job, he would not be as good a fit with economic development. Workforce development is only a small portion of the economic development experience. The director should also provide direction on other economic development activities, such as redevelopment revitalization, TIF, commercial district revitalization, and economic development initiatives. His experience doesn't cover the job requirements. Newton said that the Chamber of Commerce has wanted economic development to have a more important role and higher profile in city government. As to Clingan's economic development experiences, they are not there.

Marianne Morton of Common Wealth Development (CWD) registered to speak in favor of Bill Clingan's appointment.

Morton said she wanted to give her perspective on the hiring. She has been in the community and economic development field for 26 years in Madison, but has never met Bill Clingan until this evening. She has worked with CWD to do a lot of economic development in the city and sees different perspectives in working in economic development. One of important parts of CWD's mission has been to expand economic development in Madison through business incubators, other programs to create jobs, and business opportunities. Morton said she was asked to be involved in crafting a mission statement and job description for the new Economic and Community Development Unit Director position at the request of the Mayor's Office. The position needs someone of strong managerial skills, not just a technician, but someone with leadership qualities to

get staff to work together. Clingan was one of top candidates in screening process of which she was part. Although she was not part of the interview process, she believes Clingan can perform the job.

Carol Schaeffer of Smart Growth Madison registered to speak in opposition to Bill Clingan's appointment.

Schaeffer said she does not believe Bill Clingan would not be able to do the job, but she believes he is not experienced in economic development. The Economic Development Commission was asked to find out why Madison seems to be anti-business - the feeling among businesses that government does not value economic development or businesses in Madison. After consideration, the Commission came up with several recommendations, one of which was for the City to create a cabinet level position of economic development director who would be an economic development expert. Expertise in economic development was overlooked in the selection of Clingan. Nothing in his past experience with workforce development indicates that he is a strong candidate in the area of economic development.

NOTE: Kevin Little of Greater Madison Chamber of Commerce registered in opposition to Clingan's appointment but did not wish to speak. Scott Vaughn registered in favor of Clingan's appointment but did not wish to speak.

Discussion highlights:

- Bartlett said that he hasn't seen a job description or mission statement and doesn't want to act without having reviewed pertinent information.*
- Hurie said that approval of Clingan's appointment was just referred from Tuesday's Common Council meeting, which is why the Commission has received so little information regarding the appointment.*
- Bartlett said that Clingan's appointment is a personnel issue, not a policy issue. Choudhury agreed and said that the original hiring process was a sound one.*

Bruer said he believes this is a slippery slope and that the CDBG Commission is not a body to act on issue.

Ald. Brenda Konkel addressed the Commission. She said her perspective is that Common Council referred it here for the CDBG Commission's opinion because of the politics of the issue. The Common Council would like the Commission's opinion based on what members have heard. Konkel said that the CDBG Commission has a central role in economic development. If the Commission doesn't express its opinion, then the Common Council will only hear certain opinions.

Trivedi said she read the job description and said it is a lot to ask us to state without much time.

Markofski said that Option 3 of Hurie's memo is a real opinion. He said that CDBG wasn't part of whole process that was in place and doesn't feel a need to go any further than the process already has in examining the appointment.

Sanders said he agreed with Ald. Konkel.

Bartlett asked Bruer if it were common practice for various committees/commissions to be asked to approve personnel appointments. Bruer said that based on his experience,

no. Other committees/commissions tend to get involved only when the appointment is controversial.

Rummel said the Commission hasn't heard any other candidates, so it is not fair to ask us to weigh in when we haven't been involved all along.

Joel Plant of the Mayor's Office addressed the Commission regarding a memo from City Attorney Michael May regarding the hearings on Clingan's appointment that was emailed at to City groups at 4:30 this afternoon. May's memo says there are three choices for committees taking action on Clingan's appointment:

- 1) Confirm the appointment*
- 2) Reject the appointment, or*
- 3) Refer the appointment back to Mayor's Office. (This action is appropriate only if the Commission sees the contract as problematic.)*

Rummel asked what if our choice is none of the above? She said she feels resentful at being asked to act with no information.

Bruer believes Option 3 as written by Hurie (not May) is best option.

Ald. Compton addressed the Commission. She said she hears the Commission's concerns about being asked to weigh in to Common Council, but she agrees with Ald. Konkel that the Commission should give an opinion aye or nay. She urged the Commission not to give up this opportunity to have its say.

Plant clarified that the terms of Clingan's contract are not negotiable by this body. The contract is negotiable only by the Mayor. So if the Commission is choosing May's Option 1, that means they vote thumbs up to Bill Clingan. May's Option 2 means they vote no to hiring Clingan, and May's Option 3 means they find a problem with contract only.

Trivedi asked if this process were the usual path to confirmation of hiring of personnel.

Enis Ragland of the Mayor's Office said that It's extraordinary and not usual at all.

Hurie said that if the Commission chooses Option 3 as outlined in his memo, then they are indicating that they believe other bodies should act the same.

Option 3 from Hurie's memo, which states, "We believe the issue of mayoral hiring of the Economic and Community Development Unit Director is a matter of personnel and not a matter of community development per se. We, therefore, respectfully return the referral to the Council and suggest that it act with dispatch on the confirmation of the mayoral nominee."

APPROVAL OF MINUTES

Minutes for the August 30, 2007 and September 6, 2007 meetings were not available for approval.

REQUEST FOR RESERVE FUNDS OR MAJOR CHANGES IN PREVIOUSLY APPROVED PROJECTS

Authorizing the subordination of a previously approved loan to Wexford Ridge Neighborhood Center to a first mortgage holder during the period of construction and

authorizing the Mayor and City Clerk to sign agreements to effect such a change.

Charnitz explained the request contained in the packet. Wexford Ridge requests that the City subordinate our \$500,000 mortgage to a \$1 million first mortgage from Johnson Bank during the period of construction. The current request would move the City position from a total loan-to-value ratio of 19% to 58% during the period of construction. Wexford hopes not to need a construction loan, but the \$1 million line of credit would assist with construction financing until committed pledges are paid and the remaining fundraising funds are secured. Wexford has raised \$2 million so far.

Bartlett said he would like paragraph two of the body of the resolution corrected from, ". . . WHEREAS those efforts have been very successful, enabling the organization to negotiate a land lease for property owned by the Madison School District adjacent to West High School . . ." to, "WHEREAS . . . adjacent to Memorial High School. . ."

07623

SUBSTITUTE - Authorizing the subordination of a previously approved loan to Wexford Ridge Neighborhood Center to a first mortgage holder during the period of construction and authorizing the Mayor and City Clerk to sign agreements to effect such a change.

A motion was made by Markofski, seconded by Choudhury, to RECOMMEND TO COUNCIL TO ADOPT - REPORT OF OFFICER to approve staff recommendations to subordinate the City's \$500,000 loan to Wexford Ridge Neighborhood Center to the \$1 million loan. The motion passed by acclamation.

OTHER BUSINESS FOR ACTION

Issues and/or referrals to or from the Common Council

There were none.

1. Gardens Committee (Choudhury)
Choudhury said she missed her first Gardens meeting due to a scheduling conflict but heard that they were discussing plot fees. She said she will report on this issue at the November CDBG Commission meeting after the Gardens Committee meets in late October.
2. Martin Luther King Humanitarian Award Committee
The Committee will meet next Monday.
3. Committee on Office of Neighborhood Support (Sanders)
There was no report.
4. Other Commission representation or relationships
Trivedi said that the Office of Community Services Commission is having a "visioning session" to process and determine values of the Commission. She said they extended an open invitation to anyone interested in attending the meeting, which will be on Saturday, October 6, at 8:00 AM.

STAFF REPORT

October Staff Report

- A. Trends in national, state and local community/neighborhood development issues and budgets, including Allied initiatives.
- B. Correspondence and reports from various groups and individuals.
Choudhury asked that the Commission be emailed the agenda for the next Common Council meeting.

Charnitz wanted to make sure that the Commission understands that what it will get from the Council regarding the CDA's plan will most likely be a referral regarding the proposed land transfer. She said there won't likely be much more than that.

Bruer said that he will be urging the CDA to provide as much detail as possible about its proposal.

- C. City Attorney Memo regarding Conflict of Interest.
- D. Status of current projects and the capital and operating budget.
- E. Discussion of process for 2009-2010 funding.

OLD BUSINESS ITEMS

06811

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

Ald. Brenda Konkel asked the Commission to defer this item to the November meeting for questions about the new language that needed clarification.

A motion was made by Choudhury, seconded by Bartlett, to Refer to the COMMUNITY DEVELOPMENT BLOCK GRANT COMMISSION. The motion passed by voice vote/other.

ADJOURNMENT

at 7:05 PM.

A motion was made by Bruer, seconded by Bartlett, to Adjourn. The motion passed by voice vote/other.

Respectfully submitted,
Anne Kenny