



City of Madison Proceedings - Final

City of Madison
Madison, WI 53703
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COMMUNITY DEVELOPMENT BLOCK GRANT COMMISSION

Thursday, March 1, 2007

5:00 PM

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

Regular March Meeting and Public Hearing

ROLL CALL

Present: Tim Bruer, Monya A. Choudhury, Arthur V. Robinson, Carl G. Silverman, Justin O. Markofski and Charlie R. Sanders

Absent: Santiago Rosas

Excused: Cindy Thomas, Kristina L. Dux and Steven C. Bartlett

Others Present: Hickory Hurie, Anne Kenny

CALL TO ORDER

Sanders called the meeting to order at 5:00 PM and reminded commissioners to email Ann Blackdeer if they foresee absence from meetings.

WELCOME - CHAIR'S REPORT

News and announcements

Commissioners had no news or announcements to share.

STAFF REPORT FOCUS ITEM - PUBLIC HEARING ON 2006 PERFORMANCE

The Commission held a Public Hearing on 2006 Performance, Emerging Trends for 2008-2009 and Potential Priorities for 2008-2009.

1) *Dan Beccue, Wisconsin Women's Business Initiative Corporation (WWBIC) Branch Manager, Loan Officer*

Beccue thanked the Commission for its continued support. He said WWBIC has assisted 28 start-up or existing businesses since 2004 and has also approved \$200,000 in loans since then. They have assisted businesses in creating full-time equivalent jobs in Madison and have provided one-to-one business assistance for 168 customers. WWBIC has also conducted workshops where 73% of attendees were low-to-moderate-income from Madison. In 2007, WWBIC has been approved for \$66,300 in loan funds. Their goal in 2007 is to approve five new loans for the creation and retention of six full-time equivalent positions.

Discussion highlights:

-All businesses that WWBIC has assisted with start-up funds are still in operation so far. Usually, a business folds in the first two years.

2) *Brian Miller, Habitat for Humanity Executive Director*

Miller thanked the Commission for its support and partnership. He said that Habitat has used various CD funding sources to acquire land for homeownership for past five or six years. He said Habitat's mission is to build affordable homes and provide financing to LMI households. They have sold the last home in the first wave of EDI/NDI-funded homes in the Twin Oaks subdivision, which they began developing in 2002. Partnership with the CD Office has allowed Habitat to build Twin Oaks as a mix-income development. They have sold 50 homes to households at 60% or less CMI and are half way into the second wave of eleven homes at Twin Oaks II. Miller said that Twin Oaks is the largest intentionally mixed income development done by Habitat in the country. In all, Habitat has lent about \$3 million to families here in Madison, while 8,000 volunteers have worked on Habitat homes in the past years.

Miller said that the CD goals in the Framework and Five-Year Plan are good for next few years. He said that CD funds give agencies like Habitat lots of leverage power when combined with other project funding. He also said that CD staff members are great to work with, especially when compared with what other Habitat offices have reported from across the country. Miller said that Habitat and other non-profits in Madison are working with the CD Office to suggest some revisions to loan details in CD promissory notes. As to other City projects, Millers feels that the Allied area has sidetracked the office to some extent, but he feels the CD Office is doing a good job overall with Allied challenges. Miller also said that the CD Office has an excellent pool of local housing agencies with which to work.

Discussion highlights:

- CD funds used in Habitat projects usually amount to about one-sixth of the project value with the other five-sixths coming from fundraising or volunteer labor.
- Habitat doesn't borrow money to fund its projects but does act as lender to LMI households it assists.
- Habitat has communicated its willingness to assist the City in redevelopment of the Allied area.

REQUEST FOR MAJOR CHANGES IN CURRENTLY FUNDED PROJECTS OR FUNDING FOR NEW PROJECTS

A. Vera Neighborhood Center Playground Project (2007/03-B), Tom Solyst, Executive Director: Vera requests \$10,000 to build a community playground.

Solyst said he was available for questions.

Hurie said that Vera is requesting \$10,000 in CD funds, which they would use as leverage in their application for a private grant for Kaboom funds. Solyst said that two years ago, Vera Court used CD funds as leverage for Kaboom funds for playground equipment at the Bridge-Lake Point-Waunona Center.

Discussion highlights:

If Vera does not receive funding from Kaboom for the project, they will return to the CDBG Commission for a new proposal.

Silverman moved to approve staff recommendations to provide \$10,000 in CDBG funds as a 10-year forgivable loan under the terms of the Framework for agencies renting space. Markofski seconded. The Commission voted unanimously to approve the motion, except for absent members Bartlett, Dux, Rosas, and Thomas.

B. Porchlight Drop-In Shelter (2007/03-F): Porchlight, Inc., requests up to \$25,000 to

make plumbing improvements at a men's drop-in shelter.

Hurie said that Porchlight was not present, but he reminded commissioners of recent newspaper articles reporting concerns with plumbing problems at the drop-in shelter at Grace Episcopal Church. Shelter workers and customers have been experiencing kitchen and bathrooms problems. City Building Inspection has also identified the plumbing problems as needing correction.

Hurie said that Porchlight is a tenant of the church. He said that normally, CD would provide Porchlight with a 10-year forgivable loan, but in this case, the church as landlord would have to allow Porchlight to stay that long or Porchlight would have to repay the loan. Hurie also said that the plumbing issues are code related and must be fixed as soon as possible. Otherwise, the drop-in shelter will have to move to another facility or find other funds.

Discussion highlights:

-The funding request is being kept below \$25,000 to expedite approval of the request from the Mayor's Office. If Porchlight were to request more than \$25,000, the request would have to be approved by Council, which could take six more weeks.

-Porchlight has assumed responsibility for repairs at the church because the plumbing problems are directly attributable to heavy use of the facilities by the drop-in shelter.

Bruer moved to approve staff recommendations to loan Porchlight up to \$25,000 in the form of a 10-year deferred loan contingent on an arrangement for payment of the residual on the unpaid balance in the event that Porchlight is not able to continue occupancy at Grace Episcopal Church, 116 West Washington Avenue before 10 years are up. Markofski seconded. The Commission voted unanimously to approve the motion, except for absent members Bartlett, Dux, Rosas, and Thomas.

APPROVAL OF MINUTES

A motion was made by Markofski, seconded by Silverman, to Approve the Minutes. The motion passed by the following vote:

Absent: Rosas

Excused: Thomas, Dux and Bartlett

Aye: Bruer, Choudhury, Robinson, Silverman, Markofski and Sanders

OTHER BUSINESS FOR ACTION

A. *Update and working session on Allied Strategies (2007/03-D)*

Hurie reviewed a map of the Allied area with commissioners. He said that Allied originally was developed in the 1960s similar to the former Lake Point Drive (former Simpson Street), Vera Court, and Darbo Drive areas. He enumerated four things the Commission should keep in mind with Allied:

- 1) *Who the residents are;*
- 2) *What the components of a healthy neighborhood are, e.g., diversity of income and tenure;*
- 3) *What type of assistance is available, e.g., downpayment assistance programs, CED rental/rehab funds, Section 8 vouchers, and HOME*

- and HOME Match funds; and*
- 4) *What tactics the city should use in improve the neighborhood.*

Hurie said that at some point a proposal will be coming before the CDBG Commission for approval. He said that next week the Mayor will be reviewing both a draft RFP for City-owned properties in the Allied area and possibly a second request for statement of interest for other properties.

Hurie said the Commission will have to consider three critical issues:

- 1) *What the development goals are for the City-owned sites;*
- 2) *Whether or not the City should focus only on City-owned properties or go beyond them for a statement of interest from private owners; and*
- 3) *Where to assist in the facilitation of space for use by human service providers.*

B. Reports from Committees with CDBG Commission Representation

1. *Gardens Committee (Sanders)*

There was no report.

2. *Martin Luther King Humanitarian Award Committee (Choudhury)*

There was no report.

4. *Other Commission Representation*

There was no report.

STAFF REPORT

February Staff Report (2007/02-A)

A. Trends in national, state and local community/neighborhood development issues and budgets.

There was no discussion or report.

B. Correspondence and reports from various groups and individuals.

Hurie mentioned the HUD report included in the packet.

C. Status of current projects and Preliminary 2006 Performance Synopsis (2007/03-E)

The Commission did not get to discuss this item.

ADJOURNMENT

Bruer moved to adjourn the meeting. Silverman seconded. The Commission voted unanimously to approve the motion, except for absent members Bartlett, Dux, Rosas, and Thomas. The meeting adjourned at 7:15 PM.

*Respectfully submitted,
Anne Kenny*

