



City of Madison

City of Madison
Madison, WI 53703
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Meeting Minutes - Approved ALLIED AREA TASK FORCE

Thursday, January 10, 2008

7:00 PM

Boys and Girls Club at 4619 Jenewein Road

CALL TO ORDER / ROLL CALL

Present: 14 -

Carousel Andrea S. Bayrd; Brian L. Solomon; Joel Plant; Lynn M. Green;
Michael T. Zimmerman; Daniel R. Wood; David L. Jennings; Robert J. Artis;
Alice P. Howard; Evelyn D. Burns; Denise G. Matyka; Susan M. Corrado;
Barry E. Hayes and Leticia Concepcion Marin

Absent: 1 -

Stephan D. Uselman

PUBLIC COMMENT

APPROVAL OF MINUTES

In interest of time, this item was skipped.

08380

AMENDED SUBSTITUTE - Authorizing the Mayor and the City Clerk to execute a Cooperation and Development Agreement with the CDA for the Redevelopment of the Allied Drive Neighborhood.

Attachments: [Memo/Strategy.pdf](#)
[Maps.pdf](#)
[Map 011008.pdf](#)
[Allied Neigh Rev Phase 1-2 Plans 10.08 cda](#)
[Allied Drive Redevelopment 1-8-08- REV-SVA \(version 1\)](#)
[Allied Drive Redevelopment 1-8-08- REV-SVA \(version 1cash flow\)](#)
[Allied Drive Redevelopment 1-8-08- REV-SVA \(version 1cost 1\)](#)
[Allied Drive Redevelopment 1-8-08- REV-SVA \(version 1cost 2\)](#)
[Memo Allied Statement Framework Phase 2 1-14-08](#)
[Memo File 08380 1-14-08](#)
[AlliedPhase2Report022708.pdf](#)
[08380 Registration Stmt.pdf](#)

Mark Olinger, Director of Planning and Community and Economic Development, and Stuart Levitan, chair of the Community Development Authority (CDA), briefed the group about the community meeting held on January 7th. Olinger passed out a paper copy of the power point presentation he shared with residents and interested stakeholders at the meeting on the 7th. Since the last Task Force meeting on the 20th of December, the "final" plan is distinguished from the previous plans in three ways: the Boys & Girls Club parking lot is left in tact, the architects have addressed the concerns the City's engineering department had with storm water retention, and the plan does not show a connection on Pawnee Pass. It does, however, maintain the curvilinear street pattern that several members of the Task Force liked about Plan B.

The design plan presented shows 48 rental units (in 5 buildings total) in Phase I, with a breakdown of 13 - 3BR, 13 - 2BR+den, 9 - 2BR (all handicap accessible), 9 - 1BR, and 4 - studio/lofts. The plan also includes a 2000 square foot community space in one of the large apartment buildings that are at the intersection of Jenewein and Allied Drive. There is also a large green space/plaza available to the community at the corner, between the two large buildings. Olinger reports that the majority of the 3BR units are in the two large buildings, and those buildings include ample parking underground and on the street. Olinger explained that the CDA would be able to maximize the WHEDA points for 3BR units with their own entries, as is shown on the design plan. Levitan also commented that the 2BR+den units could easily be converted to 3BR units. The plan currently shows those units as 2BR for the tax credit application, since WHEDA awards the maximum number of points for a project with 26% 3BR units. Levitan explained that CDA is committed to creating a product that will not adversely affect the other Section 42 properties in the area. Therefore, all of the 2BR units will be accessible for persons with disabilities, which would distinguish them from the 2BR units at Prairie Crossing, Project Home's tax credit property on Allied Drive.

There was some discussion about how the community space can be used and by whom. Levitan said that the CDA would support allowing the Allied Dunn's Marsh Neighborhood Association to have access to that space, but they could not, according to WHEDA regulations, provide designated space for the association.

There was much discussion about levels of affordability in Phase I. Levitan reports that the CDA is committed to meeting the affordability goals of the Task Force, which includes site-based Section 8 vouchers for 36 of the 48 units. In order to be eligible for the Section 8 program, the household must be at or below 50% Area Median Income (AMI). The remaining units will be affordable to households between 50-60% of AMI.

Matyka pointed out that, according to Olinger's power point materials, there are two different rent rates that have been proposed - one rate for those units with the Section 8 vouchers and one for the units that will be rented without the vouchers. Matyka questioned if charging different rates for similar apartments is allowable by the federal Housing and Urban Development (HUD) department. Olinger reports that he has had several discussions with HUD, and he believes that the rental rates outlined are well within their guidelines.

Several members expressed concern over long-term affordability of the rental units, particularly those units that have the Section 8 vouchers attached. The resolution language calls for 25 years of affordability, which is supported by the Task Force. Levitan explained that the CDA would maintain a commitment of the site-based vouchers through the entire term of the project (whatever that means?). Levitan also explained that tenants that use a site-based voucher for at least a year, have the option of obtaining the next available Section 8 Housing Choice voucher (tenant-based rather than site-based) that comes available. He hopes that the housing developed by this project would be such high quality and the neighborhood stable enough that people would not want to leave after one year.

There was also discussion about the management responsibilities for the tax credit property. Olinger reports that the plan is to issue an RFP for management services should the tax credits be awarded. At this point, there is no plan for the CDA Housing Operations unit to manage the property.

Olinger also reviewed the relocation plan that the CDA has developed for the project. After hearing the concerns of residents and the Alder, the CDA has decided to maintain two of the Birch Hill Square buildings for residents of the City property while Phase I construction occurs. Currently there are 33 households living in several buildings on the City property. The plan will involve moving 18 households into those two Birch Hill Square buildings – the remaining 15 households already reside in those buildings. The CDA will cover the costs associated with moving these households, and they will also offer one month's free rent. Olinger also reports that the CDA is committed to providing some form of financial education for the residents in the City property with the hope to improve their rental situation, such as moving into the Phase I rental property, or prepare them for home ownership. There may be an additional 8 units that could be made available in the City property during the construction of Phase I should someone qualify to rent there. Solomon requested that staff report back on estimated rehab costs for those additional units.

Dan Wood expressed concern about the current rental rates of the City property, as they are generally higher than the rest of the neighborhood. He is particularly concerned that the residents that may get displaced from the G&H apartments may not be able to pay the City rent rates, and he asked Olinger and Levitan to consider allowing those that are displaced to pay a rent rate at the City property that is similar to the rent they were paying prior to getting displaced.

Olinger reports that they have begun discussions with the United Way to determine what those financial education services mentioned earlier would entail. Solomon recommended that that issue be put on the agenda of the Task Force's February meeting.

As per the request of the members at the last Task Force meeting, Olinger and Levitan also provided additional information about the initial plans for Phase II, which they envision to be all home ownership. The design plan shows 61 units to be developed on the balance of the site. Levitan anticipates that the CDA will issue RFPs with a goal to achieve a mix of home ownership types, such as land trust units, co-housing, live/work units, sweat equity units, and general market units. The stated goals for affordability in Phase II are: about 1/3 of the units will be affordable for households between 30-50% of AMI, 1/3 of units for households between 50-80% AMI, and 1/3 units for households at 80% AMI and above. Levitan also reports that the CDA had approved earlier this afternoon a plan for 20% of the developer fee retained after completion of Phase I be made available for home buyer loans and grants for the Phase II units.

Levitan invited Tom Hirsch, the City's Housing Committee chair, to comment on their meeting. Hirsch reports that the Housing Committee received much of the same information that the Task Force received regarding the site plan. However, they did not have the same detailed information about unit mix, Section 8 voucher plans, and rent levels, but rather, they got some assurance from Olinger and Levitan that the intention of the CDA is to strive to meet the goals for affordability outlined by the Task Force. The Housing Committee did not spend much time on Phase II, though they requested that Olinger and Levitan report back to the committee once the tax credit application for Phase I has been completed. The Housing Committee recommended that the Council pass Resolution 08380 in order to move the application for tax credits forward, even though there was some discomfort about the lack of detailed discussion about the

second phase.

Zimmerman invited Alder Brenda Konkel to share her concerns about the plan presented and the Solomon resolution. Konkel recommended that the Task Force consider amending Resolution 08380 to include (as part of the resolution) language about specific issues they would like to make certain would be included in the plan and application for tax credits. Konkel reports that she prepared the document she shared prior to having specific information about Phase II, community space, community gardens and relocation plans for current City property residents. In addition, Konkel expressed concern that the existing resolution language did not guarantee that levels of affordability for the project would match the recommendation from the Task Force, should the Section 8 vouchers not be approved by HUD. There was much discussion about how to ameliorate some of Konkel's concerns with the plan by adding amendments to Resolution 08380 from the Task Force.

Zimmerman also invited Fitchburg Mayor, Tom Clauder, to comment on the plan. Clauder applauded the hard work of all involved, especially the residents that have been at the table with City staff and other stakeholders. Clauder said that he particularly appreciated that the architect team and City staff listened to the concerns of the Fitchburg residents regarding the Pawnee connection. He assured the group that the Fitchburg residents did not favor the connection because of their concerns about increased traffic in their neighborhood.

Green moved, and Artis seconded a recommendation to approve the plan presented and recommend support for Resolution 08380. No vote was taken on this action.

Discussion

Baryd offered three amendments in effort to address some of the principal concerns of Alder Konkel.

Motions: Baryd moved to approve the plan and recommend support for Resolution 08380 with the following amendments:

9. The CDA will retain two Birch Hill Square buildings in place during construction of Phase I to be housing for tenants waiting to move into the Phase I project as well as for other tenants, subject to the screening criteria established by the Allied Task Force, who are displaced in the Allied Drive area.
10. The CDA will provide relocation costs to tenants currently residing in the Redevelopment. Relocation costs will include a minimum of the following:
 - a. Front-end moving and hook-up costs plus a free month's rent
 - b. Renovation costs
 - c. Back-end moving and hook-up costs
11. Be it further resolved that all aspects of the development for Phase II including the Requests for Proposals, the final site plan, the level of affordability, the unit count by ownership and number of bedrooms be referred to the Allied Task Force for recommendations to the Common Council for final approval. The CDA shall strive for units that are created in Phase II of the project will be affordable as follows:
 - a. Approximately 1/3 of the units will be affordable for people at 30-50% AMI.
 - b. Approximately 1/3 of the units will be affordable for people at 50-80% AMI.
 - c. Approximately 1/3 of the units will be affordable for people over 80% AMI

Green and Artis accepted amendments as friendly.

Motion: Green moved for unanimous approval of the motion as amended by Bayrd. Artis seconded. Decision not unanimous, motion fails.

Motion: Hayes moves to re-open discussion regarding the plan and Resolution 08380. Solomon seconded. 10 ayes; 3 nos. Motion carries.

Discussion

Hayes expressed discomfort with the ambiguity regarding community space. He would like to see a separate community space, perhaps included in Phase II that would be able to be accessed by all Allied area residents. He would also like to see a management structure for the rental property that includes resident participation.

Motion: Hayes moved to recommend that a separate community space be included in the plan for Phase II and that the management of the rental property include resident participation. Howard seconded.

Discussion:

Bayrd asked if the tax credit application includes an articulation of the use of community space for the whole neighborhood, would that hurt the CDA WHEDA application. Plant explains that according to his interpretation of the WHEDA regulations, community space is to be used by residents of the property, though residents of the property could reserve it for community purposes. He would not favor the language suggested by Baryd, as he posits that it would negatively affect the WHEDA application. Baryd calls the question. 2 ayes (Hayes and Howard); 11 nos. Motion fails.

Baryd offered three amendments in effort to address some of the principal concerns of Alder Konkel.

A motion was made by Green, seconded by Artis, to Return to Lead with the Following Recommendation(s) to the BOARD OF ESTIMATES.

New #9

The CDA will retain two Birch Hill Square buildings in place during construction of Phase I to be housing for tenants waiting to move into the Phase I project as well as for other tenants, subject to the screening criteria established by the Allied Task Force, who are displaced in the Allied Drive area.

New #10

The CDA will provide relocation costs to tenants currently residing in the Redevelopment. Relocation costs will include a minimum of the following:

- a. Front-end moving and hook-up costs plus a free month's rent
- b. Renovation costs
- c. Back-end moving and hook-up costs

New #11

Be it further resolved that all aspects of the development for Phase II including the Requests for Proposals, the final site plan, the level of affordability, the unit count by ownership and number of bedrooms be referred to the Allied Task Force for recommendations to the Common Council for final approval. The CDA shall strive for units that are created in Phase II of the project will be affordable as follows:

- a. Approximately 1/3 of the units will be affordable for people at 30-50% AMI.

- b. Approximately 1/3 of the units will be affordable for people at 50-80% AMI.
- c. Approximately 1/3 of the units will be affordable for people over 80% AMI

The motion passed by the following vote:

Absent: 1 -

Stephan D. Uselman

Ayes: 13 -

Brian L. Solomon; Carousel Andrea S. Bayrd; Joel Plant; Lynn M. Green; Michael T. Zimmerman; Daniel R. Wood; David L. Jennings; Robert J. Artis; Evelyn D. Burns; Denise G. Matyka; Susan M. Corrado; Barry E. Hayes and Leticia Concepcion Marin

Noes: 1 -

Alice P. Howard

08753

Update on Allied Properties

In the interest of time, Zimmerman requests that Mary Charnitz send out an email update regarding the transition of management for the former G&H properties. Zimmerman also reminds the group that the next Task Force meeting is Thursday, January 24th, at 5:00pm at the Boys & Girls Club.

ADJOURNMENT

Artis moves to adjourn; Wood seconds. All in favor. Motion carries. Meeting adjourns at 9:31pm.