



City of Madison

City of Madison
Madison, WI 53703
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Meeting Minutes - Approved COMMUNITY DEVELOPMENT BLOCK GRANT COMMISSION

Thursday, March 6, 2008

5:00 PM

210 Martin Luther King, Jr. Blvd.
Room 310 (City County Building)

CALL TO ORDER / ROLL CALL

Charlie Sanders called the meeting to order at 5:10 PM.

Present: 5 -

Thuy Pham-Remmele; Steven C. Bartlett; Carl G. Silverman; Justin O. Markofski and Charlie R. Sanders

Absent: 2 -

Tim Bruer and Lina Trivedi

Excused: 2 -

Marsha A. Rummel and Monya A. Choudhury

Others: Hickory Hurie, Mary Charnitz, Barb Constans, Anne Kenny (staff); Ald. Michael Schumacher (District 18); Tom Popp, Ann Eaves (Habitat for Humanity)

PUBLIC COMMENT

No one registered to speak on this item.

WELCOME CHAIR'S REPORT

After welcoming Commissioners, staff, and guests, Sanders reviewed the agenda for the meeting, noting the schedule for the public hearing and the items for action for various projects.

FOCUS ITEM: PUBLIC HEARING ON PRIOR YEAR PERFORMANCE AND 2009-2010 PRIORITIES

The Commission held a Public Hearing on 2007 Performance, Emerging Trends for 2008-2009 and Potential Priorities for 2009-2010.

No one registered to speak for the public hearing.

08955

Public Hearing on 2007 Performance, Emerging Trends For 2009-2010, and Potential Priorities for 2009-2010 (2008/03-C)

The Commission had no further discussion on the 2009-2010 Framework.

[09351](#)

CDBG Program Framework 2009-2010 (2008/03-D)

Bartlett moved to adopt the 2009-2010 Framework. Silverman seconded. The Commission voted unanimously in favor of the motion to adopt the Framework.

APPROVAL OF MINUTES

Silverman moved and Markofski seconded approval of February 7, 2008 meeting as written. The Commissioners voted unanimously in favor of the motion to approve the minutes.

Present: 7 -

Tim Bruer; Thuy Pham-Remmele; Lina Trivedi; Steven C. Bartlett; Carl G. Silverman; Justin O. Markofski and Charlie R. Sanders

Excused: 2 -

Marsha A. Rummel and Monya A. Choudhury

REQUEST FOR FUNDS OR MAJOR CHANGES IN CURRENTLY FUNDED PROJECTS

1 **Habitat for Humanity: Marquette / Hauk (2008/03-E)**

Tom Popp, Executive Director of Habitat for Humanity

Discussion highlights:

- Habitat is unsure how many present residents might be able to purchase units. All but one current resident are on a month-to-month lease.
- The phrase, "the right of first refusal," means there has to be an offer on the property that the resident would get the first chance to refuse. Habitat should change the phraseology to "first option to purchase" to give current residents the option to purchase the unit they occupy or move out.
- Partnering with Madison Area CLT will allow Habitat to prevent a spike in property tax assessments the Land Trust's purchase and ownership of the land will keep the homeowners' assessments down because the land and improvements will not be assessed together.

Markofski moved and Pham-Remmele seconded approval of the staff recommendations as follows:

Approve up to \$200,000 of Housing Trust Funds for the acquisition of the land contingent upon Habitat providing a full State-approved relocation plan and budget with funds sufficient to cover all relocation costs associated with the approved relocation plan.

Require Habitat to pass the funds through to the buyers as long-term deferred loans held by the City, following the underwriting and security rules of the CD Office Program Framework.

Require one of the duplex or town home units, which they intend to construct to be constructed to meet the accessibility needs of a person or household with disabilities.

The motion passed unanimously.

[09305](#)

Authorizing the provision of Housing Trust Funds to assist Habitat for Humanity of Dane County to develop housing in ways that address City, Community and Neighborhood Development Objectives.

This Resolution was RECOMMEND TO COUNCIL TO ADOPT - REPORT OF OFFICER

2 Habitat for Humanity: Northport (2008/03-F)

Tom Popp, Executive Director of Habitat for Humanity, and Ann Eaves, President of Habitat's Board

Alder Michael Schumacher of District 18 said that he had talked extensively with Habitat representatives about his concerns for Habitat's proposal regarding the C-Cap property on Northport Drive. He said he would like the project to be mixed income housing. His vision for the north side is for it to be a community to cover all kinds of needs. He fully endorses and supports Habitat's revised plan for the former C-Cap property.

Commissioners asked for clarification as to what specific changes Habitat has made to their proposal between the Commission mailing a week ago and the meeting tonight. Constans explained C-Cap's original efforts to develop infrastructure on the former Moose Lodge property. She said C-Cap has run into financial difficulty and is on the verge of receivership. If that were to happen, the CD Office, being in second position behind the first mortgage, would lose the \$418,000 invested in the project. Note: C-Cap had planned to construct a total of 41 units in the subdivision. Eight have been built, with four of those sold as affordable units and four as market-rate units. Constans said that the CD Office has been working with Habitat to assist them in buying the remainder of the 25 single-family lots at the site. She said the revised staff recommendations suggest giving Habitat a period of three years to meet their project goals to develop 16 lots on the Habitat model, five lots as market-rate properties, and four lots for elderly, disabled, or 60-80% Lower and Moderate Income families.

Discussion highlights:

- Habitat will be able to raise the extra capital required to fund the project. They have already received a sizable donation.
- The CD Office's mortgage would be in first place.
- Alder Schumacher is comfortable with staff recommendations and Habitat's revised proposal. He wants to avoid a high density of low-income households in the area and to promote mixed incomes in the area.
- If Habitat's properties do not sell within the three years allotted, the properties will be subject to CD Office approval as to what to do with them at that point.
- If the five market-rate lots are not sold within three years, the properties could be developed into a public use.

- Eaves said that Habitat would strive to make the project work as mixed income, but would need an "out" if they are not successful in selling the five market rate lots after three years because their money would be tied up in the project. They would need the opportunity to use the Habitat model on those five properties.
- Habitat International sets limits on some of the building parameters for their projects, such as square footage, garage size, and basements. Typically, Habitat will build one bath in homes with three bedrooms and plumb in for a second bath. For four-bedroom homes, they will provide two baths.
- Bruer expressed concern about Habitat's landscaping model, as done in one of Habitat's first projects in his district.

Bartlett moved and Bruer seconded approval of the new staff recommendations as follows:

Approve the request for \$560,000 HOME or HOME Match funds for the acquisition and new home construction. Require that the transaction involve the sale of the property to Habitat by C-Cap so that the original CDBG remaining funds (\$418,000) are repaid by C-Cap. Require Habitat to pass the funds through to the buyers following the underwriting and security rules of the CD Office Program Framework.

Require one of the houses to be constructed to meet the accessibility needs of a person with disabilities. Require that Habitat market five of the parcels as market-rate lots for at least a period of three years.

Require that, for a period of three years, Habitat work to develop or sell four of the lots for sale to families who meet at least one of the following characteristics:

- (1) Elderly over 50,
- (2) Greater than 60% AMI, or
- (3) Disabled;

or that Habitat sell the lots for an alternative public use, such as parkland, garden space, public open space, or some type of public service center.

After the period of three years, approval of any alternate use for these nine parcels will be subject to CDBG Office approval.

The commission voted unanimously to approve staff recommendations.

09330

SECOND SUBSTITUTE - Authorizing the provision of HOME/HOME Match Funds to assist Habitat for Humanity of Dane County to acquire the undeveloped portion of Northport Commons.

This Resolution was RECOMMEND TO COUNCIL TO ADOPT - REPORT OF OFFICER

Present: 6 -

Tim Bruer; Thuy Pham-Remmele; Lina Trivedi; Carl G. Silverman; Justin O. Markofski and Charlie R. Sanders

Excused: 3 -

Marsha A. Rummel; Monya A. Choudhury and Steven C. Bartlett

STAFF REPORT

The Commission discussed a handout prepared by Charnitz that showed the differences and similarities between the goals and mission statements of the CD Office and the Office of Community Services (OCS) over the past few years. Hurie explained the differences and similarities year-by-year. He said that in the last couple of years, OCS has been moving back toward more neighborhood issues, which could create conflicts between the missions of the two offices and the Planning Unit. The Mayor and Common Council would need to prioritize which office should perform which function.

Hurie and Charnitz explained the origin of CORE centers and how OCS CORE money for CORE centers ended up being overseen by the CD Office. He diagrammed the purviews of the two offices, explaining that the CD Office was more involved with efforts in housing, homeless programs, adult employment, neighborhood centers, and gardens. OCS is more concerned with childcare, youth employment, programming at neighborhood centers, and youth services.

Hurie said he was not sure when the Commission will hear more information about Allied Drive Phase II. He will follow up on the Allied Drive Phase II timeline at the next Commission meeting.

Charnitz said that the Allied Task Force (ATF) has formed a subcommittee to look at an employment plan for the area. The subcommittee will develop recommendations and return them to the full committee and then to the Mayor for review. They hope to have recommendations drafted by the end of March. The ATF is also setting up another subcommittee to discuss safety issues in the area.

Sanders and Hurie agreed that the Mayor's Office, Common Council, and department management should be sorting out the priorities between the two offices.

Present: 6 -

Tim Bruer; Thuy Pham-Remmele; Lina Trivedi; Carl G. Silverman; Justin O. Markofski and Charlie R. Sanders

Excused: 3 -

Marsha A. Rummel; Monya A. Choudhury and Steven C. Bartlett

OTHER REPORTS

Gardens Committee (Choudhury):

Choudhury was not present to give a report. Bruer asked to have staff clarify the process used for selecting an area for a public garden, particularly the process that allowed for expansion of the garden in the Bridge-Lake Point-Waunona neighborhood.

Martin Luther King (MLK) Humanitarian Award Committee (Trivedi):
Trivedi said that the MLK Award Committee formed a subcommittee to overhaul the application and award process. She said she was nominated to chair that subcommittee.

Emerging Neighborhood Funds Committee (Pham-Remmele):
Pham-Remmele said that although the Council has approved the membership of the Committee, the Committee has not officially been formed yet. Personnel from the Mayor's Office, along with Mary Charnitz of the CD Office, are staffing the Committee.

Community Development Authority (Bruer):
Bruer said that the CDA is working on the Allied Drive Phase II. They are also moving forward to establish a Tax Incremental District (TID) for south Madison. He updated the Commission on progress being made in the reconstruction of the library at the Villager Mall. He said Urban League of Greater Madison is moving forward with their plans for the Villager Mall as well. The CDA is in the process of acquiring one of two gas stations in that vicinity. They are also now in the process of negotiations with the Mayor's Office regarding nuisance abatement. CDA is executing a strategy for senior housing with WHEDA's support.

ADJOURNMENT

Silverman moved to adjourn, and Pham-Remmele seconded. The Commission voted unanimously to adjourn the meeting at 7:15 PM.

Respectfully submitted,
Anne Kenny, recorder.