



City of Madison

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

Meeting Minutes - Approved COMMUNITY DEVELOPMENT BLOCK GRANT COMMISSION

Thursday, July 17, 2008

5:00 PM

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

CALL TO ORDER / ROLL CALL

Present: 8 -

Carl G. Silverman; Thuy Pham-Remmele; Marsha A. Rummel; Monya A. Choudhury; Arthur V. Robinson; Steven C. Bartlett; Justin O. Markofski and Charlie R. Sanders

Excused: 2 -

Tim Bruer and Lina Trivedi

Staff Present: Barb Constans, Nancy Dungan, Pam Rood, Audrey Short, and Sue Wallinger

Others Present: Marianne Morton

Charlie Sanders called the meeting to order at 5:06 p.m.

NOTIFIED ABSENT

PUBLIC COMMENT

Stan Woodard registered in support of Wexford Ridge Neighborhood Center: not wishing to speak.

Kate Gaines: Project Home presented a memo from Jan Reek of Project Home in response to a question raised at the last commission meeting regarding service provided to a resident in Ald. Pham-Remmele's district.

Ruth Rohlich: Wisconsin Women's Business Initiative Spoke in support of WWBIC and to clarify issues raised at the last commission meeting. Ms. Rohlich stated the City of Madison funds that are provided to WWBIC are used to leverage other funds. She also spoke to the diversity of the recipients of WWBIC loans and, in response to questions from Bartlett and Pham-Remmele, stated they work with the Latino Chamber and other multi-cultural organizations, have not yet done any loans to Asian businesses but are conducting outreach.

Arlene Bollig: WWBIC
registered in support of WWBIC and available to answer questions

SPECIAL ITEM: COMMISSION DELIBERATIONS ON 2009-2010 PROPOSALS

The 2009-2010 Funding Recommendations spreadsheet was distributed. It included the results of budget decisions made at the last commission meeting and staff recommendations on issues yet to be decided. Constans reviewed the spreadsheet and discussed the following issues:

- 1- a 3% COLA was added to existing City funds on instructions from the Mayor.
- 2- a 5% cut is to be taken from City funds after the COLA has been applied. The cuts then need to be prioritized.
- 3- contract conditions need to be added where necessary.
- 4- a "B List" should be designated in the event additional funds become available over the funding cycle.

Discussion highlights:

- HUD requires that the use of reserve funds be established in advance so the purpose is clear.
- The WPHD foreclosure project was not recommended for A list funding in part because it needed more definition.
- The Land Trust model has been used successfully but it takes the property off the tax roles.

Owner-Occupied Housing

Sanders called for any changes in the previous recommendations as indicated on the spreadsheet. No changes were made.

Housing for Homebuyers

Sanders called for any changes in the previous recommendations as indicated on the spreadsheet. No changes were made.

Rental Housing

Constans reported there are funds available in 2008 to fund the Commonwealth Development Vaughn Commons project at \$378,000 and that this project will be considered by the CDBG Commission at their July 31, 2008 meeting.

Sanders called for any other changes in the previous recommendations as indicated on the spreadsheet. No other changes were made.

Business with Jobs

Constans reported that some of the funds in this category were moved to the Micro Enterprise category leaving \$330,000 available in 2010 for the Public Market. Constans recommended that conditions be included in the

contract to ensure the use of funds on a timely basis. The conditions included: 85% capital, 15% admin; Proforma acceptable to CDBG Staff, balance of funds raised or committed and CDBG funds expended by June 30, 2010.

Discussion highlights:

- "Balance of funds" was clarified to mean commitments from banks and other funders.
- The Department Capital budget request of \$2M for this project reflects a timeline extending through 2011 for construction. This is the timeline anticipated by the Department of Planning & Community & Economic Development.
- The City's \$2M is included in Commonwealth's budget of \$19M for the project.

Bartlett proposed removing the remaining \$330,000 from the Business with Jobs category and putting it in the Micro Enterprise category where it could be provided as direct assistance to the small businesses that would locate at the Public Market. He would prefer to assist the small businesses instead putting the money into the Public Market physical structure. The funds could be provided to CW for this purpose. Some of the tenants will need a large amount of assistance to succeed.

Sanders invited Marianne Morton, executive director of Commonwealth, to answer questions. Morton stated Commonwealth is committed to the start-up businesses that would locate at the Public Market, but that the project will not move ahead without a structure. CDBG commitment is key in securing other funds. CW provides intensive start-up assistance to businesses but they have not administered a small business loan fund in the past. She stated Economic Development is a goal of CDBG so they should fund projects in that category.

Discussion highlights:

- It is expected that the property where the Public Market locates will be on the tax roles
- The commission is concerned that there be minority tenants at the market and assistance to the vendors would help ensure this. Morton indicated Commonwealth is starting now to reach out to minority vendors.

Rummel suggested putting \$120,000 on the B list to help vendors.

Bartlett moved approval of the staff recommendations for Businesses with Jobs. Silverman seconded. The motion failed by the following vote:

Ayes: Choudhury, Rummel

Noes: Bartlett, Pham-Remmele, Robinson, Silverson

Constans suggested the commission approve the funds with conditions to be met by December 2009 and funds to be spent by June 30, 2010 so the funds could be made available to another agency if this project is not moving ahead.

Rummel moved that \$330,000 be approved for Commonwealth in 2010 for the Public Market with the condition that Commonwealth meet the following conditions by December 2009 and that Commonwealth report on their progress at the CDBG Commission meeting in December 2009. The conditions are:

- **the land is acquired**
- **there is a proforma acceptable by staff and commission**
- **CDBG funds will be expended by June 30, 2010**
- **Commonwealth will provide a list of potential vendors**

Bartlett seconded. The commission approved unanimously with Silverman abstaining.

Mico Enterprise

Sanders called for any changes in the previous recommendations as indicated on the spreadsheet. No changes were made.

Civic Places

Sanders called for any changes in the previous recommendations as indicated on the spreadsheet. No changes were made.

Access-Housing

Sanders called for any changes in the previous recommendations as indicated on the spreadsheet. No changes were made.

Access-Homeless

Rummel suggested moving \$2,000 from the Salvation Army and giving it to Freedom, Inc. Wallinger explained that the staff recommendation was based on the fact that Freedom, Inc. has no experience or capacity in expending public funds. She cautioned against taking a small amount of money from an established organization and giving it to a new organization.

Choudhury moved to accept staff recommendations as indicated on the spreadsheet. Bartlett seconded. Motion passed with the following vote:

**Ayes: Bartlett, Choudhury, Pham-Remmele, Silverman, Robinson
Noes: Rummel**

Strategy Area

Constans clarified that staff intended to recommend full City funding for the Urban League Southwest Employment project but the Mayor's instructions were clear that no supplements would be allowed. Sanders called for any changes in the previous recommendations as indicated on the spreadsheet. No changes were made.

Reserves

Bartlett moved approval of staff recommendations as indicated on the spreadsheet. Choudhury seconded. Motion passed unanimously.

Discussion of 5% Cuts

Civic Places

Robinson moved that staff recommendations in the Civic Places category be approved except that \$10,176 be taken from Boys & Girls Club Taft instead of Vera Court Neighborhood Center.

Pham-Remmele made a friendly amendment that the \$10,176 be split evenly between BGC Taft and BGC Allied.

Discussion Highlights:

- It is believed that BGC has a larger capacity to raise the missing funds than Vera because of their national affiliation.
- Vera receives a much larger share of funds through the City and has higher per capita neighborhood resources than the BGC centers.

The commission approved the motion unanimously.

Access-Housing

Choudhury moved approval of staff recommendations for the 5% cuts in this category. Bartlett seconded. Commission approved unanimously.

Access-Homeless

Silverman moved that \$2,500 be taken from the Warming Shelter project and \$2,500 from Tellurian Reach Out. Bartlett seconded.

Discussion Highlights:

- The Reach Out program does not seem to serve as many people as effectively as the other programs in this category.

Motion was approved on the following vote:

Ayes: 2 - Silverman, Bartlett

Noes: 2 - Choudhury, Rummel

Abstained: Robinson and Pham-Remmele

Tie was broken by Sanders, the chair, who voted aye.

Strategy Area

Choudhury moved approval of staff recommendations for the 5% cuts in this area. Robinson seconded.

Discussion Highlights:

- The recommendation to cut START instead of ULGM is probably based on the effectiveness of the programs at securing jobs for Allied residents.
- Choudhury also likes ULGM's collaboration with other agencies.

Motion was approved unanimously.

Ranking Order for Cuts in City Funds

After discussion, Bartlett moved that the cuts be ranked in the following order:

MMFHC Testing	4,768	first program to be cut
WI Youth Center	10,156	
TRC Mediation	2,750	
START Training	5,526	
SA Warming Shelter	2,500	
Tellurian Reach Out	2,500	
BGC-Allied	5,088	
BGC-Taft	5,088	last program to be cut

Silverman seconded. Motion was approved with the following vote:

Ayes: Silverman, Rummel, Bartlett, Pham-Remmele, Choudhury

Noes: Robinson

Rummel had to leave at 8:00

B List

The commission reviewed the B list as recommended by staff.

Choudhury made a motion to put the ULGM Single Family Rent-to-Own project at the top of the B List for \$50,000. Constans clarified this must be CDBG funds. Robinson seconded. Motion passed unanimously.

Bartlett moved approval of staff recommendations for the B List with the previous motion incorporated. Choudhury seconded. Motion passed unanimously.

Silverman moved approval of the entire package as amended at this meeting. Pham-Remmele seconded. Motion passed unanimously.

ADJOURNMENT

Robinson moved to adjourn. Silverman seconded. Unanimous approval.

Meeting adjourned at 8:25 p.m.

Respectfully submitted,
Audrey Short