



City of Madison

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

Meeting Minutes - Approved HOUSING DIVERSITY PLANNING AD HOC COMMITTEE

Wednesday, January 13, 2010

4:00 PM

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

CALL TO ORDER / ROLL CALL

- Present:** 5 -
Marsha A. Rummel; Michael Schumacher; David C. Porterfield; Brian A. Munson and Judy K. Olson
- Absent:** 1 -
Judy Compton
- Excused:** 3 -
Brian L. Solomon; Mark Clear and Marjorie A. Passman

STAFF: Dietzler, Olinger

OTHERS: Phil Salkin

CALL TO ORDER: Munson called the meeting to order at 4:12 pm

APPROVAL OF MINUTES

Schumacher moved to approve the November 18, 2009 minutes/Olson seconded.

Unanimous approval.

<http://legistar.cityofmadison.com/calendar/#current>

PUBLIC COMMENT

There was no public comment.

NEW AND CONTINUING BUSINESS

- 1.) [16770](#) Presentation by Phil Salkin, Realtor's Association

Salkin distributed 3 documents to the Committee members:

- Housing Summations
- Madison Area Active Listings
- Map Detailing How The City Is Divided

Salkin gave a Powerpoint presentation regarding housing issues.

Salkin said he has been working with Daniel Nerad and Mayor Cieslewicz on

two major issues facing the City: 1) Affordability; and 2) Housing Diversity. Salkin noted that home ownership and affordable housing seem to be good at the present time and said that affordable housing is the gateway to economic improvement and ownership in the future.

Salkin said there are definite cycles in the housing market and currently the trend is the opposite from the years when IZ was the main focus.

Salkin presented the following assumptions:

- Less public money is available for city-wide housing programs
- The City supports housing programs
- Affordable housing can be addressed using existing housing stock
- Existing markets will provide some affordable housing
- The colored map details how the City of Madison is divided; available affordable housing by district varies greatly; new construction will not occur in many neighborhoods; east side units are scattered around the periphery a bit more; markets will always create affordable housing; inventory of affordable housing is down due to the First Time Homebuyer Credit; effective housing programs may be less about creating new homes and more about getting people into existing homes and ways to sustain them in these homes.
- What can the City do

Olinger wondered how much is driven by Fannie Mae and Freddie Mac.

Salkin said the problem is that banks would like to lend, but get mixed messages; community banks, where decisions are made locally, may be able to be more flexible.

Salkin presented proposals for the City:

- Request that all city departments submit all their policies that relate to housing
- Coordinate these policies
- Review City Ordinances
- Require a housing impact statement
- City should consider trying some housing programs and regulations as they relate to the state of the housing market
- The City should convene in an informal council and meet quarterly
- The City should do more to advertise the existence of down payment and rehab plans
- The City should explore such programs as "Ambassadors for Cities", which provide funds for joint city/housing initiatives
- Create a Down Payment Assistance Group, which would give people the opportunity to talk with one another

CALL TO ORDER/ROLL

Present: 6 -

Marsha A. Rummel; Judy Compton; Michael Schumacher; David C. Porterfield; Brian A. Munson and Judy K. Olson

Excused: 3 -

Brian L. Solomon; Mark Clear and Marjorie A. Passman

- Dane County Homebuyers hosts programs that promote/educate the community about home ownership
- Models are available, such as www.kchomeprograms.com, from Kansas

City

- Apartment to condominium conversions is an ongoing issue

Salkin discussed the Marriott Hotel conversion as an example.

Olinger brought up the Lake Point project.

Compton wondered if Lake Point was encouraging investors to buy condos at \$49,000.

Olinger said that was not the case.

Compton said that this issue is a reality check and wondered if the condo market was saturated. Compton wondered where the City draws the line and gave an example of a similar situation in Sun Prairie.

Salkin said that the opportunity facing us today is to get people of modest means into these units and wondered what we can do to accomplish this. Salkin discussed the prospect of apartment buildings coming up for sale as related to conversions and also brought up the subject of condo associations. Salkin mentioned that a variety of resources are available.

- Urban Homesteading: Vilas-Greenbush neighborhood's current project
- EAH (Employer Assisted Housing)

Salkin noted that the state of Illinois is quite advanced in this area, however, Wisconsin has tried and true programs. Salkin said that relative to condo conversions, most of the buildings in the Vilas-Greenbush neighborhood are 3 – 5 bedroom units and would be most attractive to young professionals coming to Madison.

Compton noted her concerns about the Vilas-Greenbush neighborhood and that in her opinion the conversions will take off. Compton said that a big group of properties is coming back on the market and that discussions need to take place relative to fiscal responsibility of the realtor; the lender, city and realtor all give good advice.

Salkin suggested the Committee members visit the Wisconsin Realtors Association website regarding the foreclosure kit, which focuses on prevention. Salkin said that every realtor takes an oath and that his association reinforces this at every realtor orientation.

Munson thanked Salkin for his presentation. Munson said that before agenda items 2) and 3) can be addressed, the next meeting date should be discussed as well as the topic of 'where does the Committee go from here'.

Schumacher said it would be helpful if staff could pull their best housing pieces together from over the years and put a skeleton model together. Schumacher noted that this Committee is not equipped to write the report without assistance from other staff and that a skeleton model would be better for use in the Committee's efforts.

Olinger said his staff could provide such a skeleton model.

Munson reminded the members that the Committee is short term. Munson said that the information from MMSD was very enlightening to him as well as the

information from the City relative to neighborhood indicators. Munson noted that Salkin's input would give the Committee valuable data with which to work.

Compton said she wished there would be a way to get hold of foreclosures and short sales as well as get in tune with the city banking industry.

Porterfield said there was a program to purchase those units and noted that census tracts are moving targets. Porterfield said it would be quite difficult to compile this information.

Compton thought it may be necessary to ask the realtors for help in obtaining these numbers.

Munson said that the realtor's MLS listing, neighborhood indicators, and the MMSD data are quite useful in decision making across the board. Munson noted that data of this nature is needed to coordinate efforts with the City.

Porterfield wondered if the City has staff available to do this.

Olinger said that he knows a way in which to put a skeleton model together, which would help move this Committee along. Olinger thought the brainstorming results from the November 18, 2009 meeting were very good. Olinger discussed the following topics and questions with the Committee:

- Housing Diversity Planning Ad Hoc Committee name is very interesting
- Is there a balance issue in the City centered around maintaining vital/diverse neighborhoods over the long term; this is something that we don't talk about
- School District data is fascinating, how quickly can we use this information; we need to think of long-term policies
- How do we view housing perhaps as strategic elements to make things happen; student housing on the Isthmus is the biggest issue; how do we finance this; what is the City's role indirectly or directly; we need to back up with programs and policies; how to make good ideas real and how to prioritize
- How do we use housing as investment vehicles/vital employment centers
- Is there a focused strategic look at housing in the central city
- How do we use old rental housing stock

Olinger said we can start by piecing these items together.

Olson said that we can talk about developing housing, think about the house itself and talk about banks etc., but we don't seem to talk about developing buyers. Olson pointed out the need for people to clean up their credit with hopes of finding their dream home and how they could become a home owner vs. a condo owner.

Salkin said the Realtors Association is trying to develop a website whereby people can talk to other homebuyers in efforts to communicate before purchasing.

Munson said that he will poll the Committee members by e-mail to secure a February meeting date. Munson said he would like to wrap things up in the next few months by shifting to meeting every two weeks for one or two months in order to bring things to a close. Munson noted that he would make a decision at the February meeting .

Compton discussed the loan program/cheaper interest rates as detailed in the 11-18-2009 minutes and went on to talk about the points. Compton recommended the first time homebuyer programs to Salkin as well as the first time home buyer accreditation for those who need assistance with market issues.

Munson said he would work with staff regarding the February meeting. Munson noted that he would also work with staff relative to the skeleton model Schumacher proposed.

Rummel thanked Salkin for his presentation.

- 2.) [16771](#) Discussion of Brain Storming Results

Schumacher moved to table agenda item 2)/Compton seconded. Unanimous approval. Refer to the next meeting.

- 3.) [16772](#) Discussion of Draft Report Content

Schumacher moved to table agenda item 3)/Compton seconded. Unanimous approval. Refer to the next meeting.

ADJOURNMENT

Schumacher moved adjournment/Compton seconded. Unanimous approval. The meeting was adjourned at 5:24 pm.

Respectfully submitted,
Helen Dietzler