

Community Development Division

Capital Improvement Plan

Project Summary: Executive

	2022	2023	2024	2025	2026	2027
Affordable Housing-Consumer Lending	3,657,000	3,157,000	3,157,000	3,207,000	3,207,000	3,207,000
Affordable Housing-Development Projects	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000
Community Facilities Improvements	1,000,000	-	-	-	-	-
Hotels Converted to Housing	2,500,000	-	-	-	-	-
Permanent Men's Shelter	4,000,000	-	-	-	-	-
Salvation Army Darbo Site	2,500,000	-	-	-	-	-
Senior Center Building Improvements	89,000	47,000	52,000	40,000	98,000	-
Youth-Centered Housing	2,000,000	-	-	-	-	-
	\$ 22,746,000	\$ 10,204,000	\$ 10,209,000	\$ 10,247,000	\$ 10,305,000	\$ 10,207,000

Changes from 2021 CIP



Major Changes

- Affordable Housing-Consumer Lending
 - Program budget increased by \$4.73m from 2022-2026, with a \$1.65m increase in 2022
 - Budget increase is intended to expand down payment assistance, offer more incentives for energy efficiency improvements, and expand assistance for small-scale property acquisition and rehabilitation
 - Program budget increase in 2022 is primarily due to an increase in requested GO borrowing (\$797k), the addition of applied reserves (\$250k), and application of American Rescue Plan (ARPA) funding (\$500k)
- Affordable Housing-Development Projects
 - Program budget increased by \$1m in 2022 and by \$500k each year from 2023-2026 when compared to 2021 Adopted
- Community Facilities Improvement
 - New program for 2022 Executive Budget
 - Program is intended to support smaller capital projects proposed by non-profit community partners to meet facility needs that serve or benefit specific neighborhoods or populations and to supplement CDD's existing CDBG-funded acquisition/rehab reserve fund
- Hotels Converted to Housing
 - New project for 2022 Executive Budget
 - Project budget is fully funded by allocating part of the Local Government Aid from ARPA
- Permanent Men's Shelter
 - Four million dollar budget in 2022 is in addition to the \$3m that was appropriated in the 2021 Adopted Budget and the \$2m appropriated through a 2021 resolution allocating part of the Local Government Aid from ARPA
- Salvation Army Darbo Site
 - New project for 2022 Executive Budget
 - Project budget is fully funded by allocating part of the Local Government Aid from ARPA
- Youth-Centered Housing
 - New project for 2022 Executive Budget
 - Project budget is fully funded by allocating part of the Local Government Aid from ARPA

Community Development Division

Budget Overview

2022 CIP by Expenditure Type

	2022	2023	2024	2025	2026	2027
Building	9,089,000	47,000	52,000	40,000	98,000	-
Loans	13,657,000	10,157,000	10,157,000	10,207,000	10,207,000	10,207,000
Total	\$ 22,746,000	\$ 10,204,000	\$ 10,209,000	\$ 10,247,000	\$ 10,305,000	\$ 10,207,000

2022 CIP by Funding Source

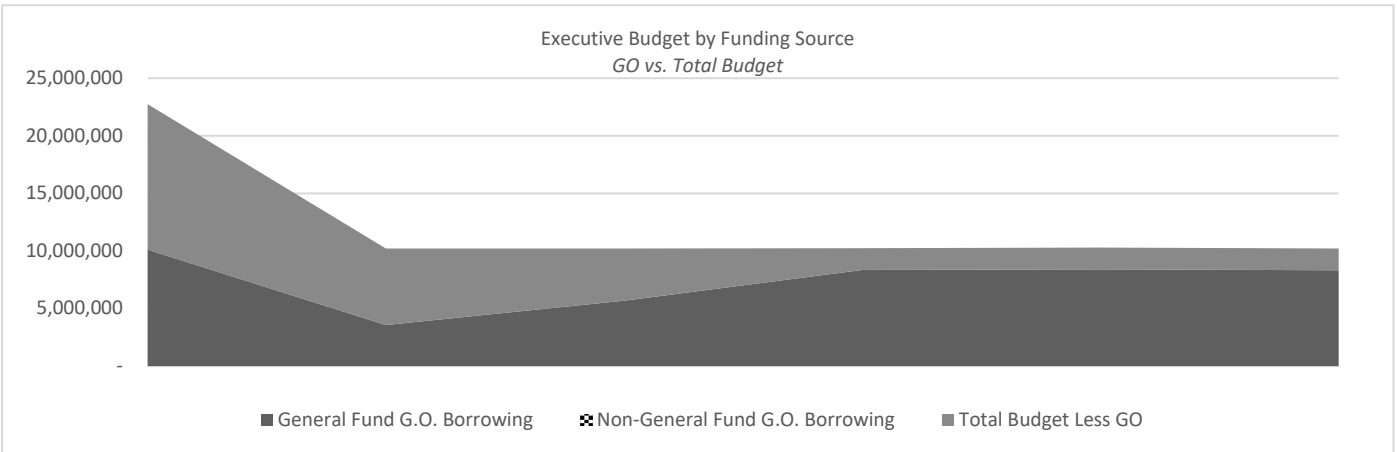
	2022	2023	2024	2025	2026	2027
GF GO Borrowing	10,104,000	3,562,000	5,667,000	8,355,000	8,413,000	8,315,000
County Sources	3,000,000	-	-	-	-	-
Federal Sources	8,630,000	1,130,000	1,130,000	1,130,000	1,130,000	1,130,000
Loan Repayment	560,000	560,000	560,000	560,000	560,000	560,000
Miscellaneous Revenue	2,000	2,000	2,000	2,000	2,000	2,000
Reserves Applied	250,000	250,000	250,000	-	-	-
State Sources	200,000	200,000	200,000	200,000	200,000	200,000
TIF Proceeds	-	4,500,000	2,400,000	-	-	-
Total	\$ 22,746,000	\$ 10,204,000	\$ 10,209,000	\$ 10,247,000	\$ 10,305,000	\$ 10,207,000

Borrowing Summary

	2022	2023	2024	2025	2026	2027
Borrowing Schedule						
General Fund G.O. Borrowing	10,104,000	3,562,000	5,667,000	8,355,000	8,413,000	8,315,000
Non-General Fund G.O. Borrowing	-	-	-	-	-	-
Total	\$ 10,104,000	\$ 3,562,000	\$ 5,667,000	\$ 8,355,000	\$ 8,413,000	\$ 8,315,000

Annual Debt Service

General Fund G.O. Borrowing	1,313,520	463,060	736,710	1,086,150	1,093,690	1,080,950
Non-General Fund G.O. Borrowing	-	-	-	-	-	-



Project **Community Facilities Improvements** Project # **13672**
 Citywide Element **Neighborhoods and Housing** Project Type **Program**

Project Description

This program funds support for smaller capital projects proposed by non-profit partners to meet facility needs that serve or benefit specific neighborhoods or populations. A Community Facilities Capital Reserve Fund can be a flexible resource to be deployed, with Council and Mayoral oversight, in support of projects of varying size and scope, e.g., renovating or expanding a community center, expanding child care or other spaces designed to serve low-to-moderate income households. The fund will supplement CDD's existing Community Development Block Grant (CDBG)-funded Acquisition/Rehab Reserve Fund. It will add a degree of flexibility and predictability to that resource, which is often hampered by regulatory burdens that add cost and complexity to small projects and a lack of predictability. Funds will be available for projects that are not CDBG-eligible. Funds will be deployed through a request for proposals process in 2022.

Project Budget by Funding Source

	2022	2023	2024	2025	2026	2027
GF GO Borrowing	1,000,000	-	-	-	-	-
TOTAL	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$ -

Project **Hotels Converted to Housing** Project # **13774**
 Citywide Element **Neighborhoods and Housing** Project Type **Project**

Project Description

This project funds the conversion of hotels into permanent affordable housing. The goal of this project is to expand the number of affordable rental housing units available to lower-income households in Madison. The project would complement other efforts the City is making, primarily through its locally funded Affordable Housing Fund, which leverages other public and private resources. This project takes advantage of assets freed up due to disruptions in the local hospitality industry and it promises to bring badly needed housing units on line more quickly than possible through new developments. The 2022 budget is funded by allocating part of the Local Government Aid from the American Rescue Plan Act (ARPA).

Project Budget by Funding Source

	2022	2023	2024	2025	2026	2027
Federal Sources	2,500,000	-	-	-	-	-
TOTAL	\$ 2,500,000	\$ -	\$ -	\$ -	\$ -	\$ -

Project **Permanent Men's Shelter** Project # **13344**
 Citywide Element **Neighborhoods and Housing** Project Type **Project**

Project Description

This project funds property acquisition, architecture and engineering services, and renovation and construction for a permanent facility for shelter services for men experiencing homelessness. It will replace spaces previously made available in the basements of churches located in downtown Madison. The constraints of these spaces limited the scope of services that could be provided, and prompted the adoption of policies and protocols that served to discourage, or limit, their use by those needing shelter. COVID-19 forced the displacement of the shelter into temporary, public locations that could more safely provide services in a congregate setting. Now, the need to vacate temporary spaces in favor of other planned uses requires a site for a new, permanent shelter. A specific site for the permanent shelter has not yet been identified. The county sources funding listed in the project budget is the same \$3 million that was included in Dane County's 2021 Adopted Budget. The 2022 Executive Budget will bring the current total project budget to \$10 million.

Project Budget by Funding Source

	2022	2023	2024	2025	2026	2027
GF GO Borrowing	1,000,000	-	-	-	-	-
County Sources	3,000,000	-	-	-	-	-
TOTAL	\$ 4,000,000	\$ -	\$ -	\$ -	\$ -	\$ -

Project	Salvation Army Darbo Site	Project #	13775
Citywide Element	Neighborhoods and Housing	Project Type	Project

Project Description

This project funds the purchase of the Darbo Site, located at 3030 Darbo Drive, from the Salvation Army. The goal of this project is to contribute City resources toward the Salvation Army's \$30 million planned redevelopment of its facilities on the 600 block of East Washington Avenue. That project, which will consolidate the organization's activities at the two locations onto East Washington Avenue, includes development of a new shelter facility for families and single women in Madison who are experiencing homelessness. Acquiring the Darbo property provides the added benefit of securing an asset with future potential for uses that will support residents living in the adjacent neighborhood, many of whom live in low or moderate-income households. The 2022 budget is funded by allocating part of the Local Government Aid from the American Rescue Plan Act (ARPA).

Project Budget by Funding Source

	2022	2023	2024	2025	2026	2027
Federal Sources	2,500,000	-	-	-	-	-
TOTAL	\$ 2,500,000	\$ -	\$ -	\$ -	\$ -	\$ -

Project	Senior Center Building Improvements	Project #	12434
Citywide Element	Culture and Character	Project Type	Project

Project Description

This project funds multiple building improvements to the Madison Senior Center to address safety and other concerns. Building improvements include, but are not limited to: flooring repair, movable airwall replacement & exterior drive painting/sealing (2022); door replacement and patio & rooftop repair (2023-2024); door swipe access system upgrades, exterior locks replacement, and exterior brick tuckpointing (2025); and elevator modernization & safety upgrades (2025-2026). Earlier work components of this project included smoke pollution mitigation in 2020 and external lighting improvements in 2021.

Project Budget by Funding Source

	2022	2023	2024	2025	2026	2027
GF GO Borrowing	89,000	47,000	52,000	40,000	98,000	-
TOTAL	\$ 89,000	\$ 47,000	\$ 52,000	\$ 40,000	\$ 98,000	\$ -

Project	Youth-Centered Housing	Project #	13776
Citywide Element	Neighborhoods and Housing	Project Type	Project

Project Description

This project funds the development of housing specifically for youth experiencing homelessness and/or aging out of foster care. The goal of this project is to provide housing options for youth who lack access to safe and stable living arrangements. The City anticipates partnering with a local non-profit organization to develop and manage a property that will offer housing and supportive services to vulnerable youth who may otherwise face homelessness or be forced to live in unsafe conditions. The 2022 budget is funded by allocating part of the Local Government Aid from the American Rescue Plan Act (ARPA).

Project Budget by Funding Source

	2022	2023	2024	2025	2026	2027
Federal Sources	2,000,000	-	-	-	-	-
TOTAL	\$ 2,000,000	\$ -	\$ -	\$ -	\$ -	\$ -

Community Development Division

2022 Appropriation Schedule

2022 Appropriation

Executive Budget

	Request	GO Borrowing	Other	Total
Affordable Housing-Consumer Lending	3,157,000	1,015,000	2,642,000	3,657,000
Affordable Housing-Development Projects	6,000,000	7,000,000	-	7,000,000
Community Facilities Improvements	1,000,000	1,000,000	-	1,000,000
Hotels Converted to Housing	-	-	2,500,000	2,500,000
Permanent Men's Shelter	6,000,000	1,000,000	3,000,000	4,000,000
Salvation Army Darbo Site	-	-	2,500,000	2,500,000
Senior Center Building Improvements	89,000	89,000	-	89,000
Youth-Centered Housing	-	-	2,000,000	2,000,000
Total 2022 Appropriation	\$ 16,246,000	\$ 10,104,000	\$ 12,642,000	\$ 22,746,000