City of Madison 2020 Capital Improvement Plan
Agency Request Summary
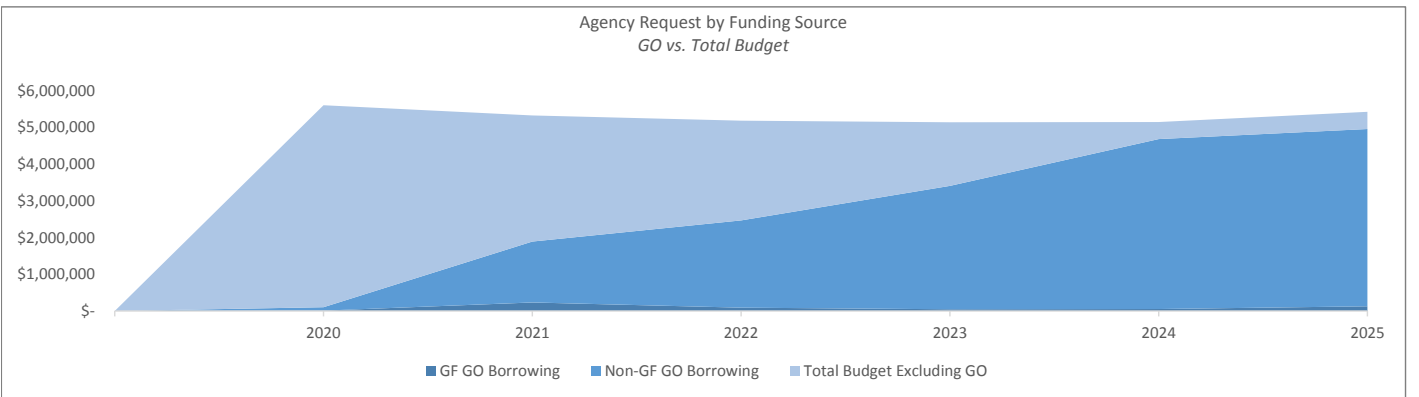
Agency :   Community Development Division

Agency Request by Item (All Funds)

	2020	2021	2022	2023	2024	2025
Senior Center Building Improvements	10,000	232,000	89,000	47,000	52,000	125,000
Bridge Lake Point Community Center	500,000	-	-	-	-	-
Affordable Housing-Development Projects	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,680,000
Affordable Housing-Consumer Lending	600,000	600,000	600,000	600,000	600,000	624,000
	$ 5,610,000	$ 5,332,000	$ 5,189,000	$ 5,147,000	$ 5,152,000	$ 5,429,000

Agency Request by Funding Source

Project	2020	2021	2022	2023	2024	2025
GF GO Borrowing	10,000	232,000	89,000	47,000	52,000	125,000
Non-GF GO Borrowing	91,000	1,663,000	2,383,000	3,362,000	4,633,000	4,837,000
Private Contribution/Donation	500,000	-	-	-	-	-
Loan Repayment	465,000	465,000	465,000	465,000	465,000	465,000
TIF Proceeds	4,500,000	2,970,000	2,250,000	1,271,000	-	-
Reserves Applied	42,000	-	-	-	-	-
Miscellaneous Revenue	2,000	2,000	2,000	2,000	2,000	2,000
Total	$ 5,610,000	$ 5,332,000	$ 5,189,000	$ 5,147,000	$ 5,152,000	$ 5,429,000

Agency Request by Funding Source
GO vs. Total Budget

Community Development Division

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Child Care
Community Resources
Community Development Block Grant
Madison Senior Center

May 17, 2019

To: Dave Schmiedicke, Finance Department
From: Jim O'Keefe, Community Development Division

Subject: Community Development Division 2020 Capital Budget Recommendations

I am forwarding, for your consideration, the Community Development Division's 2020 capital-spending requests.

This request, like those in the preceding 5 years, focuses primarily on sustaining efforts to improve housing options for Madison residents who struggle with housing stability. Despite the surge in residential development that has occurred in Madison in recent years, including the addition of more than 1100 rental housing units made possible by City investments through the Affordable Housing Fund, rental markets remain tight and households with more modest means continue to struggle to find quality housing. For them, inadequate housing options remain one of the greatest obstacles to shared success and prosperity. Accordingly, CDD's capital budget continues to rank the production of new housing stock as its top priority.

Securing a home is not the only housing challenge confronting Madison residents. Rising costs associated with making needed repairs, paying property taxes and financing a home purchase confront households every day. CDD deploys an array of consumer lending programs for eligible households who may not be able to access private lending markets for resources needed to complete home improvements, pay property taxes or become a homeowner. The maintenance of these small but effective programs, which supplement state and federal resources, are the Division's second priority.

The CDD recommendations include a new project – new, at least, with respect to its appearance in the Division's Capital Budget. They address a group of, mostly modest, improvements to the Madison Senior Center that are deemed necessary to maintain the facility as a safe, inviting and well-functioning environment for visitors, volunteers and staff. In the past, Center improvements have been budgeted within Engineering's Facilities Management Budget. Facilities Management staff have reviewed these projects and cost estimates, however, on the advice of the City's Budget Director, they will now be identified within the Community Development budget.

Before I close, I'd like to bring to your and the Mayor's attention two topics that I think are relevant less for 2020 than the 5 years of the CIP. They pertain to future needs associated with housing and with the City's support for investments in community facilities.

Working with other City agencies and community stakeholders, CDD is in the process of updating its Analysis of Impediments to Fair Housing Choice Report. I expect the information and recommendations that flow from it will help shape the new administration's future housing policies and capital budget decisions. The Mayor may choose to expand or modify existing programs, or add new initiatives. However, I think it important to caution that the current annual funding commitment for the Affordable Housing Fund, which has not changed in the 5 years since its inception, cannot sustain even the current level of activities. Despite its success, rising development costs threaten to erode the Fund's effectiveness. I would like to make this suggestion – should any tax increment financing districts scheduled to close in the next five years exceed the revenue projections contained in the 2019 CIP, the excess should go to expand the Affordable Fund rather than displace General Obligation borrowing.

Finally, though the Mayor's budget instructions does not appear to allow it, I would like to raise the prospect of creating a new program in CDD to assist capital projects designed to serve or support specific neighborhoods or populations. A Community Facilities Capital Reserve Fund could exist alongside our Community Development Block Grant Reserve Fund to supplement that small resource and support projects that are not CDBG eligible. I envision a flexible resource to be deployed, with Council and Mayoral oversight, in support of projects of varying size and scope, e.g., acquiring space for a teen center, renovating or expanding a community center, able to garner community support. I am not prepared to advance a proposal in the 2020 budget, and there may be accompanying staff needs to consider, but I think such a program would fill a real need in Madison.

I welcome the opportunity in coming weeks to discuss CDD's capital budget proposals and answer any questions you might have.

Submitted

2020 Capital Improvement Plan
Project Budget Proposal

Identifying Information

Agency   Community Development [▼]   **Project Name**   Senior Center Building Improvements ▼

Project Number   12434   **Project Type**   Project

Project Category   Facility   **Priority**   [3   ▼]

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: smoke pollution mitigation (2020); courtyard rehab/repair & external lighting improvements (2021); flooring repair, movable airwall replacement & exterior drive painting/sealing (2022); repair/replacement of doors and patio/rooftop rehab/repair (2023-2024); door swipe access system upgrades, exterior locks replacement & exterior brick tuckpointing (2025); and elevator modernization & safety upgrades (2025-2027).

Is this project currently included in the 2019 CIP?   [No   ▼]

Budget Information

Total Project Budget   [$555,000]   **Prior Appropriation**   [$0]

Budget by Funding Source

Funding Source	2020	2021	2022	2023	2024	2025
GF GO Borrowing ▼	10,000	232,000	89,000	47,000	52,000	125,000
Total	$10,000	$232,000	$89,000	$47,000	$52,000	$125,000

🔷 Insert Funding Source

Budget by Expenditure Type

Expense Type	2020	2021	2022	2023	2024	2025
Building ▼	10,000	232,000	89,000	47,000	52,000	125,000
Total	$10,000	$232,000	$89,000	$47,000	$52,000	$125,000

🔷 Insert Expense Type

Performance

Metric   Reduce or eliminate building code violations

Data Source   Building inspections and associated reports

Baseline	Target
9 violations	0 violations

Priority

Citywide Element   [Culture and Character   ▼]

Strategy   [Create safe and affirming community spaces that bring people together and provide social outlets for underrepresented groups.   ▼]

Describe how this project advances the Citywide Element:

These building improvements will help ensure that the Madison Senior Center is maintained as a safe and inviting community space for area seniors.

What is the justification for this project?

These improvements address critical safety issues and upgrades/modernization necessary for ongoing MSC operations.

Project Schedule & Location

What is the total time frame for this project?

Start Date: 1/1/2020   End Date: 12/31/2027

	2020	*2021*	*2022*	*2023*	*2024*	*2025*
Project Status	Construction ▼	Construction ▼	Construction ▼	Construction ▼	Construction ▼	Construction ▼

Can this project be mapped?   ◉ Yes   ○ No

What is the location of the project?

330 W Mifflin St

Is this project on the Project's Portal?   ○ Yes   ◉ No

Operating Costs

What are the estimated annual operating costs associated with the project?

Personnel

# of FTEs	Annual Cost	Description

Non-Personnel

Major	Amount	Description

☑ Insert item

[Save]   [Submit]

Notes

Notes:

v. 5-22-2019

[Save and Close]

Submitted

2020 Capital Improvement Plan
Project Budget Proposal

Identifying Information

Agency [Community Development I ▼]

Project Number 17002

Project Category Facility

Project Name [Bridge Lake Point Community Center ▼]

Project Type Project

Priority [4 ▼]

Description

This project funds the construction of a resident-inspired community facility in the Bridge Lake Point Waunona Neighborhood. The goal of the project is to have a centrally-located facility providing adequate space to better accommodate public gatherings and broader programming that meets the needs of residents. Progress will be measured by creation of a new facility resulting in increased capacity for uses desired by neighborhood residents and a corresponding increase in the facility's rate of use. The project timeline calls for community engagement in 2019, design completion and initial construction in 2020 and construction completion in 2021.

Is this project currently included in the 2019 CIP? [Yes ▼]

Budget Information

Total Project Budget [$2,500,394]   **Prior Appropriation** [$2,000,394]

Budget by Funding Source

Funding Source	2020	2021	2022	2023	2024	2025
Private Contribution/Donation ▼	500,000					
Total	$500,000	$0	$0	$0	$0	$0

▣ Insert Funding Source

Budget by Expenditure Type

Expense Type	2020	2021	2022	2023	2024	2025
Land Improvements ▼	500,000					
Total	$500,000	$0	$0	$0	$0	$0

▣ Insert Expense Type

Performance

Metric Increase, by 25%, the number of facility hours supported by the Community Center in the first year following project completion.

Data Source Quarterly service reports, required under the Center's contract with the City

Baseline 3,600 hrs

Target 4,500 hrs

Priority

Citywide Element [Economy and Opportunity ▼]

Strategy [Remove barriers to achieving economic stability. ▼]

Describe how this project advances the Citywide Element:

Comprehensive Plan action item calls for the continued support for neighborhood centers. Once completed, this project will provide the Bridge Lake Point Waunona neighborhoods with an expanded neighborhood center, offering additional programming and services to the community.

What is the justification for this project?

The current BLPW Neighborhood Center (operated at 1910-1917 Lake Point Drive) has inadequate square footage to provide the robust services desired by the community. Through community engagement, CDD supported the partial financing of a new center with additional space and amenities for the community.

Project Schedule & Location

What is the total time frame for this project?

   Start Date: 2/1/2019   **End Date:** 3/31/2021

	2020	2021	2022	2023	2024	2025
Project Status	Construction ▼	Construction Comple ▼	▼	▼	▼	▼

Can this project be mapped?   ◉ Yes ◯ No

What is the location of the project?   Lake Point Dr @ Hoboken Rd

Is this project on the Project's Portal? ◯ Yes ◉ No

Operating Costs

What are the estimated annual operating costs associated with the project?

Personnel

# of FTEs	Annual Cost	Description

Non-Personnel

Major	Amount	Description

■ Insert item

Save		Submit

Notes

Notes:

v. 5-22-2019

Save and Close

Submitted

2020 Capital Improvement Plan
Program Budget Proposal

Identifying Information

Agency   Community Development I ▼   **Project Name**   Affordable Housing-Development Projects ▼

Project Number   17110   **Project Type**   Program

Project Category   Other   **Priority**   1 ▼

2020 Munis Project Number   12472

Description

This program continues a major initiative to expand and improve the supply of affordable housing in Madison. The program's goal is to leverage other public and private resources to improve and expand the supply of quality, affordable housing accessible to low- and moderate-income households in the City of Madison. Progress will be measured by the production of 200 units of new rental housing serving households with incomes at or below 60 percent of the County's median income. Specific 2020 projects and locations will be determined by Wisconsin Housing and Economic Development Authority's (WHEDA) allocation decisions, which are expected in early 2020. Anticipated construction for those projects successfully receiving support from both the City and WHEDA would likely begin in 2021.

Budget Information

Prior Appropriation* $19,515,500   **Prior Year Actual*** $10,241,825
*Based on Fiscal Years 2015-2018

Budget by Funding Source

Funding Source	2020	2021	2022	2023	2024	2025
TIF Proceeds ▼	4,500,000	2,970,000	2,250,000	1,271,000		
Non-GF GO Borrowing ▼		1,530,000	2,250,000	3,229,000	4,500,000	4,680,000
Total	$4,500,000	$4,500,000	$4,500,000	$4,500,000	$4,500,000	$4,680,000

☐ Insert Funding Source

Budget by Expenditure Type

Expense Type	2020	2021	2022	2023	2024	2025
Loans ▼	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,680,000
Total	$4,500,000	$4,500,000	$4,500,000	$4,500,000	$4,500,000	$4,680,000

☐ Insert Expense Type

Performance

Metric   Prospective affordable housing units receiving commitment of City funds

Data Source   CDD's Excel workbook

Baseline Data			
2017 Actual	2018 Actual	2019 Projected	Target
214	190	200	200

Priority

Citywide Element   Neighborhoods and Housing ▼

Strategy   Integrate lower priced housing, including subsidized housing, into complete neighborhoods. ▼

Describe how this project advances the Citywide Element:

The Affordable Housing Fund increases affordable housing options and/or preserves existing affordability in targeted neighborhoods.

Project Schedule & Location

2020 Projects

Project name	Est Cost	Location
3-4 housing development projects to be identified by end of 2019	$4,500,000	Development projects are selected through an annual, competitive RFP process that steers developers to locations ...

Insert item

Explain the justification for selecting projects planned for 2020:

CDD will conduct a Request for Proposals (RFP) process to select projects that will receive financial commitment from the City.

2021 Projects

Project Name	Est Cost	Location
3-4 housing development projects to be identified by end of 2020	$4,500,000	Development projects are selected through an annual, competitive RFP process that steers developers to locations ...

Insert item

Explain the justification for selecting projects planned for 2021:

CDD will conduct a Request for Proposals (RFP) process to select projects that will receive financial commitment from the City.

2022 Projects

Project Name	Est Cost	Location
3-4 housing development projects to be identified by end of 2021	$4,500,000	Development projects are selected through an annual, competitive RFP process that steers developers to locations ...

Insert item

Explain the justification for selecting projects planned for 2022:

CDD will conduct a Request for Proposals (RFP) process to select projects that will receive financial commitment from the City.

2023 Projects

Project name	Est Cost	Location
3-4 housing development projects to be identified by end of 2022	$4,500,000	Development projects are selected through an annual, competitive RFP process that steers developers to locations ...

Insert item

Explain the justification for selecting projects planned for 2023:

CDD will conduct a Request for Proposals (RFP) process to select projects that will receive financial commitment from the City.

2024 Projects

Project name	Est Cost	Location
3-4 housing development projects to be identified by end of 2023	$4,500,000	Development projects are selected through an annual, competitive RFP process that steers developers to locations well served by public transit and other amenities, and not already marked by high concentrations of poverty.

Insert item

Explain the justification for selecting projects planned for 2024:

CDD will conduct a Request for Proposals (RFP) process to select projects that will receive financial commitment from the City.

2025 Projects

Project name	Est Cost	Location
3-4 housing development projects to be identified by end of 2024	$4,680,000	Development projects are selected through an annual, competitive RFP process that steers developers to locations well served by public transit and other amenities, and not already marked by high concentrations of poverty.

Insert item

Explain the justification for selecting projects planned for 2025:

CDD will conduct a Request for Proposals (RFP) process to select projects that will receive financial commitment from the City.

Operating Costs

What are the estimated annual operating costs associated with the projects planned within this program? $0

Personnel

# of FTEs	Annual Cost	Description

Non-Personnel

Major	Amount	Description

Insert item

Save	Submit

Notes

Notes:

v. 5-22-2019

Save and Close

Submitted

2020 Capital Improvement Plan
Program Budget Proposal

Identifying Information

Agency Community Development [▾]   **Project Name** Affordable Housing-Consumer Lending ▾

Project Number 62010   **Project Type** Program

Project Category Other   **Priority** [2   ▾]

2020 Munis Project Number [12473, 12474 and 12475]

Description

This program includes the Home Purchase Assistance (a program called Home-Buy the American Dream), Housing Rehabilitation Services and Property Tax Financing for Eligible Seniors (65+) programs. These are CDD's direct lending programs, providing loans to City residents to obtain and maintain safe, quality, affordable housing.

Budget Information

Prior Appropriation* $2,972,012   **Prior Year Actual*** $1,442,042
*Based on Fiscal Years 2015-2018

Budget by Funding Source

Funding Source		2020	2021	2022	2023	2024	2025
Reserves Applied	▾	42,000					
Loan Repayment	▾	465,000	465,000	465,000	465,000	465,000	465,000
Miscellaneous Revenue	▾	2,000	2,000	2,000	2,000	2,000	2,000
Non-GF GO Borrowing	▾	91,000	133,000	133,000	133,000	133,000	157,000
	Total	$600,000	$600,000	$600,000	$600,000	$600,000	$624,000

🔲 Insert Funding Source

Budget by Expenditure Type

Expense Type		2020	2021	2022	2023	2024	2025
Loans	▾	600,000	600,000	600,000	600,000	600,000	624,000
	Total	$600,000	$600,000	$600,000	$600,000	$600,000	$624,000

🔲 Insert Expense Type

Performance

Metric   Number of loans disbursed

Data Source   CDD's CDM database

Baseline Data

2017 Actual	2018 Actual	2019 Projected	Target
34	27	40	40

Priority

Citywide Element   Neighborhoods and Housing   ▾

Strategy   Support the rehabilitation of existing housing stock, particularly for first-time homebuyers and people living with lower incomes.   ▾

Describe how this project advances the Citywide Element:

This project includes financing for a first-time homebuyer assistance program, a housing rehabilitation program and property tax assistance to seniors. The goal is to ensure low- to moderate-income households have access to affordable, sustainable housing.

Project Schedule & Location

2020 Projects

Project name	Est Cost	Location
Home Purchase Assistance (f/k/a Home Buy The American Dream) [12473]	$90,000	Project locations are entirely a function of the addresses of eligible applicants. The program does not target specific...
Housing Rehabilitation Services [12474]	$365,000	Project locations are entirely a function of the addresses of eligible applicants. The program does not target specific...
Property Tax Financing for Eligible Seniors (65+) (f/k/a Reverse Mortgage Program) [12475]	$145,000	Project locations are entirely a function of the addresses of eligible applicants. The program does not target specific...

Insert item

Explain the justification for selecting projects planned for 2020:

These three planned projects provide funding to create safe, quality affordable housing opportunities. City resources are highly leveraged by State and Federal funds, which are reflected in CDD's operating budget.

2021 Projects

Project Name	Est Cost	Location
Home Purchase Assistance (f/k/a Home Buy The American Dream)	$90,000	Project locations are entirely a function of the addresses of eligible applicants. The program does not target specific...
Housing Rehabilitation Services	$365,000	Project locations are entirely a function of the addresses of eligible applicants. The program does not target specific...
Property Tax Financing for Eligible Seniors (65+) (f/k/a Reverse Mortgage Program)	$145,000	Project locations are entirely a function of the addresses of eligible applicants. The program does not target specific...

Insert item

Explain the justification for selecting projects planned for 2021:

These three planned projects provide funding to create safe, quality affordable housing opportunities. City resources are highly leveraged by State and Federal funds, which are reflected in CDD's operating budget.

2022 Projects

Project Name	Est Cost	Location
Home Purchase Assistance (f/k/a Home Buy The American Dream)	$90,000	Project locations are entirely a function of the addresses of eligible applicants. The program does not target specific...
Housing Rehabilitation Services	$365,000	Project locations are entirely a function of the addresses of eligible applicants. The program does not target specific...
Property Tax Financing for Eligible Seniors (65+) (f/k/a Reverse Mortgage Program)	$145,000	Project locations are entirely a function of the addresses of eligible applicants. The program does not target specific...

Insert item

Explain the justification for selecting projects planned for 2022:

These three planned projects provide funding to create safe, quality affordable housing opportunities. City resources are highly leveraged by State and Federal funds, which are reflected in CDD's operating budget.

2023 Projects

Project name	Est Cost	Location
Home Purchase Assistance (f/k/a Home Buy The American Dream)	$90,000	Project locations are entirely a function of the addresses of eligible applicants. The program does not target specific...
Housing Rehabilitation Services	$365,000	Project locations are entirely a function of the addresses of eligible applicants. The program does not target specific...
Property Tax Financing for Eligible Seniors (65+) (f/k/a Reverse Mortgage Program)	$145,000	Project locations are entirely a function of the addresses of eligible applicants. The program does not target specific...

Insert item

Explain the justification for selecting projects planned for 2023:

These three planned projects provide funding to create safe, quality affordable housing opportunities. City resources are highly leveraged by State and Federal funds, which are reflected in CDD's operating budget.

2024 Projects

Project name	Est Cost	Location
Home Purchase Assistance (f/k/a Home Buy The American Dream)	$90,000	Project locations are entirely a function of the addresses of eligible applicants. The program does not target specific neighborhoods.
Housing Rehabilitation Services	$365,000	Project locations are entirely a function of the addresses of eligible applicants. The program does not target specific neighborhoods.
Property Tax Financing for Eligible Seniors (65+) (f/k/a Reverse Mortgage Program)	$145,000	Project locations are entirely a function of the addresses of eligible applicants. The program does not target specific neighborhoods.

Insert item

Explain the justification for selecting projects planned for 2024:

These three planned projects provide funding to create safe, quality affordable housing opportunities. City resources are highly leveraged by State and Federal funds, which are reflected in CDD's operating budget.

2025 Projects

Project name	Est Cost	Location
Home Purchase Assistance (f/k/a Home Buy The American Dream)	$93,600	Project locations are entirely a function of the addresses of eligible applicants. The program does not target specific neighborhoods.
Housing Rehabilitation Services	$379,600	Project locations are entirely a function of the addresses of eligible applicants. The program does not target specific neighborhoods.
Property Tax Financing for Eligible Seniors (65+) (f/k/a Reverse Mortgage Program)	$150,800	Project locations are entirely a function of the addresses of eligible applicants. The program does not target specific neighborhoods.

Insert item

Explain the justification for selecting projects planned for 2025:

These three planned projects provide funding to create safe, quality affordable housing opportunities. City resources are highly leveraged by State and Federal funds, which are reflected in CDD's operating budget.

Operating Costs

What are the estimated annual operating costs associated with the projects planned within this program? $107,000

Personnel

# of FTEs	Annual Cost	Description
0.59	45,000	Wilson (0.24); Goldbin (0.15); Lor (0.20)

Non-Personnel

Major	Amount	Description
54335	850	Annual CDM licenses
54612	600	Misc property appraisals
54638	4,550	Fidlar searches, misc closing/recording fees & other title work
54650	10,000	Rehab loan program advertising (Isthmus, Umoja, NPC, Goodman)
54810	20,000	TransUnion credit check services
54840	26,000	Allowance for forgiven/uncollectible loans

Insert item

[Save]　　　　　　　　　[Submit]

Notes

Notes:

v. 5-22-2019

[Save and Close]