

CDA RedevelopmentFunction: **Planning & Development***Budget Overview*

Agency Budget by Fund

	2019 Actual	2020 Adopted	2020 Actual	2021 Adopted	2022 C2C	2022 Request
CDA	3,155,669	872,003	617,764	1,465,996	1,475,348	1,477,230
TOTAL	\$ 3,155,669	\$ 872,003	\$ 617,764	\$ 1,465,996	\$ 1,475,348	\$ 1,477,230

Agency Budget by Service

	2019 Actual	2020 Adopted	2020 Actual	2021 Adopted	2022 C2C	2022 Request
Redevelopment	3,155,669	872,003	617,764	1,465,996	1,475,348	1,477,230
TOTAL	\$ 3,155,669	\$ 872,003	\$ 617,764	\$ 1,465,996	\$ 1,475,348	\$ 1,477,230

Agency Budget by Major-Revenue

	2019 Actual	2020 Adopted	2020 Actual	2021 Adopted	2022 C2C	2022 Request
Intergov Revenues	-	-	-	(391,188)	(391,188)	(391,188)
Charges For Services	(1,814,304)	(146,540)	(25,932)	(251,640)	(251,640)	(252,600)
Investments & Other Contributions	(198,059)	(314,610)	(193,446)	(73,566)	(73,566)	(73,566)
Misc Revenue	(35,493)	-	-	(650)	(650)	(35,650)
Other Financing Source	(921,813)	(410,853)	56,119	(748,952)	(758,304)	(568,226)
Transfer In	(186,000)	-	(454,505)	-	-	(156,000)
TOTAL	\$ (3,155,669)	\$ (872,003)	\$ (617,764)	\$ (1,465,996)	\$ (1,475,348)	\$ (1,477,230)

Agency Budget by Major-Expenses

	2019 Actual	2020 Adopted	2020 Actual	2021 Adopted	2022 C2C	2022 Request
Salaries	46,134	143,618	100,965	214,196	229,039	331,757
Benefits	60,895	49,781	(31,818)	67,878	70,633	79,261
Supplies	146	2,500	8,034	26,840	26,840	26,840
Purchased Services	625,229	70,988	27,584	84,883	84,883	127,050
Debt & Other Financing	2,237,266	605,116	512,999	444,593	436,347	284,716
Transfer Out	186,000	-	-	627,606	627,606	627,606
TOTAL	\$ 3,155,669	\$ 872,003	\$ 617,764	\$ 1,465,996	\$ 1,475,348	\$ 1,477,230

To: Dave Schmiedicke, Finance Director
From: Matt Wachter, CDA Executive Director
Date: 07/12/2021
Subject: 2022 Operating Budget Transmittal Memo

Major Goals

The CDA Redevelopment has one service in the budget which is redevelopment. This service supports the management of Monona Shores Apartments, Burr Oaks Senior Housing, Revival Ridge Apartments, the Reservoir Apartments, and commercial space at the Village on Park as well as public housing redevelopment projects and neighbor stabilization projects. Current projects include single family home construction in the Allied Drive neighborhood and the redevelopment of aging public housing units.

As part of public housing redevelopment, the CDA is reengaging the Madison Revitalization and Community Development Corporation (MRCDC). The MRCDC is a 501(c)(3) established by the CDA for use in multiple-entity redevelopment projects. It will become the owner entity of 32 public housing units through HUD approved disposition and redevelopment process. The budget and financial transactions for this entity will reside as a subsidiary element of the CDA Redevelopment and is incorporated through a subfund mechanism into the current account structure.

COVID Recovery

CDA Redevelopment works in tandem with CDA Housing Authority staff to advance its mission. Staff supporting the CDA have collectively risen to the challenge of continuing to manage the CDA's portfolio of properties, keeping tenants safe, and support the CDA Board. As we move forward we will continue to build more resilient programs, support tenants in accessing available resources, provide new & innovative business opportunities, and remain dedicated to caring for the most vulnerable community members while exploring innovative ways to ensure future continuity of services should the CDA ever be in this type of situation again.

2022 Request & Equity

Discriminatory housing practices have been a significant historical driver in creating inequity and preventing the acquisition of intergenerational wealth for families of color. The Board has long expressed its dedication to advancing equity, particularly on Madison's south side.

The CDA is committed to providing safe & accessible housing, supporting healthy neighborhoods, and creating opportunities for marginalized members of our community. As evident by the CDA's participation in Low Income Housing Tax Credit properties, redevelopment activities, support of the State Street Pop-up Shop program,

and the Village on Park's current work to support the creation of a Black Business Incubator.

2022 Request & Sustainability

As mentioned, the CDA is beginning the process of redeveloping its aging housing portfolio. This is a unique opportunity to make thoughtful investments in sustainability. The CDA is positioned as a permanent partner in the community that will continue to make investments aimed toward maximum efficiency.

Major Changes in 2022 Operating Request

Consistent with the budget instructions, CDA Redevelopment has not submitted a five-percent reduction scenario because the CDA does not receive a subsidy from the City's general fund. Ultimately, the CDA must balance its activities with redevelopment funding opportunities and the revenue that CDA properties generate.

The CDA appreciates its close relationship with the City and the ongoing support of City staff. The need for stable, affordable housing in our community has never been greater, and we look forward to being a partner in the solution.

Sincerely,

Matt Wachter
Executive Director
Community Development Authority

*c.c. Deputy Mayors
Budget & Program Evaluation Staff
Larry Kilmer
Anne Slezak*

2022 Operating Budget

Service Budget Proposal

IDENTIFYING INFORMATION

SELECT YOUR AGENCY:

CDA Redevelopment

SELECT YOUR AGENCY'S SERVICE:

Redevelopment

SERVICE NUMBER:

911

SERVICE DESCRIPTION:

This service is responsible for the Community Development Authority's (CDA) housing, economic, and redevelopment initiatives in the City of Madison. CDA Redevelopment manages Monona Shores Apartments, Burr Oaks Senior Housing, Revival Ridge Apartments, Reservoir Apartments, and commercial space at the Village on Park. Active CDA Redevelopment projects include single-family home construction in the Allied Drive neighborhood and redevelopment of aging public housing units. The goals of this service are to provide high-quality housing for low-income households and to undertake redevelopment activities that strengthen low and moderate-income neighborhoods.

Part 1: Base Budget Proposal

BUDGET INFORMATION

	2019 Actual	2020 Adopted	2020 Actual	2021 Adopted	2022 C2C	2022 Request
<i>Budget by Fund</i>						
General-Net	\$0	\$0	\$0	\$0	\$0	\$0
Other-Expenditures	\$3,155,669	\$872,003	\$617,764	\$1,465,996	\$1,475,348	\$1,477,230
<i>Total</i>	<i>\$3,155,669</i>	<i>\$872,003</i>	<i>\$617,764</i>	<i>\$1,465,996</i>	<i>\$1,475,348</i>	<i>\$1,477,230</i>
<i>Budget by Major</i>						
Revenue	\$0	\$0	\$0	\$0	\$0	\$0
Personnel	\$107,028	\$193,399	\$69,147	\$282,074	\$299,672	\$411,018
Non-Personnel	\$3,048,641	\$678,604	\$548,618	\$1,183,922	\$1,175,676	\$1,066,212
Agency Billings	\$0	\$0	\$0	\$0	\$0	\$0
<i>Total</i>	<i>\$3,155,669</i>	<i>\$872,003</i>	<i>\$617,764</i>	<i>\$1,465,996</i>	<i>\$1,475,348</i>	<i>\$1,477,230</i>
FTEs		2.45		3.63	3.80	3.90

PRIORITY

Citywide Element Neighborhoods and Housing


Describe how this service advances the Citywide Element:

The population served by the CDA Redevelopment are people of color, residents also have legally defined disabilities, and low income families. This represents a population historically discriminated against and in need of affordable housing. Redevelopment aims not only in meeting the needs of current tenants, but to also creates more opportunities for similar tenants, while updating very dated buildings giving tenants a place they are proud to call home. "Affordable housing was a consistently identified priority throughout the Imagine Madison process. Participants emphasized the need for more affordable housing that is well served by transportation options and amenities...Affordable housing must go beyond simply low-cost housing. It must be clean, safe, fit the needs of the household. All housing, regardless of price, should meet standards of quality and provide a safe, healthy environment for those living there." (Imagine Madison, page 52)

ACTIVITIES PERFORMED BY THIS SERVICE

Activity	% of Effort	Description
Redevelopment	100	

This service is responsible for the Community Development Authority's (CDA) housing, economic, and redevelopment initiatives in the City of Madison. CDA Redevelopment manages Monona Shores Apartments, Burr Oaks Senior Housing, Revival Ridge Apartments, Reservoir Apartments, and commercial space at the Village on Park. Active CDA Redevelopment projects include single-family home construction in the Allied Drive neighborhood and redevelopment of aging public housing units. The goals of this service are to provide high-quality housing for low-income households and to undertake redevelopment activities that strengthen low and moderate-income neighborhoods.

 Insert item

SERVICE BUDGET CHANGES

Service Impact

What is the proposed change to the service's budget from cost to continue to agency request?

No Changes

What are the service level impacts of the proposed funding changes?

We are anticipating providing the same level of high quality services.

Personnel-Permanent Positions

Are you proposing an allocation change to the FTEs for this service? No

Type	Fund	Amount	Description
Perm Wages			
Benefits			
Total		\$0	

Explain the assumptions behind the allocation change.

What is the justification behind the allocation change?

Personnel-Other Personnel Spending

Are you requesting additional personnel spending for non-annualized pay? No

Type	Fund	Amount	Description
Overtime			
Premium Pay			
Hourly			
Total		\$0	

Explain the assumptions behind the requested funding.

What is the justification behind the increased funding?

Revenue


Are you proposing a change to the service's budgeted revenue?

No

Are you proposing an increase or a decrease to the budgeted revenue?

Select...

Fund	Major	Amount	Description

 Insert item

Explain the assumptions behind the change to budgeted revenue.

Monona Shores will contribute \$8k per month and Village on Park will contribute \$5k per month

What is the justification behind the proposed change?

Both properties will be supporting current Redevelopment provided asset management services.

Non-Personnel

Are you requesting additional non-personnel funding for this service?

No

Fund	Major	Amount	Description

Insert item

Explain the assumptions behind the requested funding.

N/A

What is the justification behind the increased funding?

N/A

Part 2: Racial Equity and Social Justice

We are continuing our efforts to articulate and prioritize racial equity and social justice in the City's budget and operations. Please respond to the following questions and incorporate these responses into your budget narrative to ensure racial equity is included in decision-making.

1. Describe how Black, Indigenous, and People of Color (BIPOC), people living with lower incomes, and people who are otherwise marginalized (because of gender, age, home language, etc.) would be affected by the proposed budget or budget change(s)? Please consider the following to answer this question:

Discriminatory housing practices have been a significant historical driver in creating inequity and preventing the acquisition of intergenerational wealth for families of color. The Board has long expressed its dedication to advancing equity, particularly on Madison's south side.

- a. Describe who directly benefits, who indirectly benefits, and who does not benefit from the proposed budget or budget change from 2021. Are there any opportunities in this budget to address gaps, remove barriers, or more equitably distribute services?
- b. What information or data do you have about how this service is accessed by or affects BIPOC populations, people living with lower incomes, and people who are otherwise marginalized (because of disability, age, gender, etc.)? Have you asked for their perspectives directly and, if so, how have you incorporated their feedback?
- c. List any community partners and other City agencies who are affected by, care about, or already working on issues related to this service. Have you asked for their perspectives directly and, if so, how have you incorporated their feedback?
- d. Does the proposed budget, or budget change from 2021, potentially harm specific populations or communities? Consider that not changing a budget item might also be considered an "action" and could affect populations differently.
- e. How will you continue to communicate with your stakeholders (from 1b and 1c above) in this process?

Low Income tenants, social service agencies, small & minority business owners

Participation in the CDA's homeownership, rental, and business activities are contingent on income qualifications. Feedback is received and encouraged via NRTs, Board Meetings, Surveys, and direct outreach methods.

The CDA partners with many non-profits who are brought in when changes to a development, community, or process occur.

N/A as there are not major budget variances from 2021.

Resident engagement teams, NRTs, tenant surveys

2. Is the proposed budget or budget change related to a recommendation from any of the City's teams or initiatives that connect community need with opportunities to advance racial equity, inclusion, and social justice (e.g., NRTs, RESJI, LCET, MAC, WIC, Equitable Workforce Plans)?

Yes No

If so, please identify the respective group and recommendation.

Imagine Madison

Part 3: Proposed Budget Reduction

What is 5% of the agency's net budget?

\$0

What is the proposed reduction to this service's budget?

\$0

Explain how you would change the activities and the level of service as a result of implementing the funding decrease to this service. List changes by service activity identified above. Add a separate line for each reduction.

Activity	\$Amount	Description
		N/A

Insert item

Total	\$0	
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Explain the changes by major expenditure category that your agency would implement as a result of the funding decrease to this service.

Name	\$ Amount	Description
Personnel		N/A
Non-Personnel		N/A
Agency Billings		N/A
Total	\$0	

Is the City mandated to perform the activities of this service? If so, explain the mandate and mandated service level. If not, are there other local organizations also involved in performing these activities.

N/A

Has this reduction been proposed in prior years?

Select... ▼

Does the proposed reduction result in eliminating permanent positions?

Select... ▼

If yes, what is the decrease in FTEs:

Does the proposed reduction impact other agencies (i.e. Fleet Services)?

Select... ▼

If yes, which agencies:

Describe why the proposed reduction was chosen.

N/A

Explain the impacts of the proposed reduction on the end user of the service. Summarize these impacts in the context of the questions asked in Part 2 of this form. How can impacts of this reduction be mitigated?

N/A

Section 4: Optional Supplemental Request

NOTE: Agencies may submit one supplemental request in their 2022 budget request. Please include the request in the most relevant service. If multiple supplemental requests are submitted, agencies will be required to choose one to be presented for consideration for the Executive Budget. Requests should only be submitted if agencies identify a critical need. Agencies should first consider reallocating base resources within and among services before proposing budget increases. Agencies should not include Town of Madison requests in this section.

What is the proposed funding increase? Explain how you would change the activities and the level of service as a result of implementing the funding increase to this service. List changes by service activity identified above.

Activity	\$Amount	Description
	0	N/A

Insert item

Total	0	
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Explain the changes by major expenditure category that your agency would implement as a result of the funding increase to this service.

Name	\$Amount	Description
Personnel	0	N/A
Non-Personnel	0	N/A
Agency Billings	0	N/A
Total	0	

How will this increase be funded (e.g., General Fund, Library Fund, Capital Fund, Enterprise Fund, Grant Fund, etc.)? Please list the most applicable funding source(s). Follow up with your budget analyst if you are uncertain.

N/A

What are the implications of this service increase over the next five years? Identify if this increase is ongoing and if additional increases to funding or personnel would be needed to support this increase.

N/A

Does the proposed increase affect workload for any administrative or internal service agencies (e.g., IT, Finance, HR, Fleet)?

If yes, which agencies?

Describe why the proposed increase is critical.

N/A