



CITY OF MADISON

**Community and Neighborhood
Development Program**

2006

PERFORMANCE

SYNOPSIS

BY PRIMARY GOALS

February 12, 2007 draft
(Includes preliminary 2006 expenditures and program results)

Community Development Office
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EXECUTIVE SYNOPSIS, MISSION, AND CHART OF MAJOR OBJECTIVES

The purpose of the community and neighborhood development program is to help make Madison “a more viable urban community by providing decent housing and a suitable living environment and by expanding the economic opportunities for low- and moderate-income persons.”¹ During 2006, the program worked with many non-profit community and neighborhood groups and their associated business, resident, and neighborhood partners to plan, develop and invest in projects which contributed to the objectives established by the CDBG Commission, Mayor, and Common Council in consultation with Madison citizens.

The CD Office is the early stage development investment arm of the Department of Planning and Community and Economic Development. The CD Office worked with community-based groups to develop policy plans, projects, and related activities to strengthen neighborhoods and expand opportunities for low- and moderate-income households throughout the community. The Office invested in non-profit community groups that

- Improve affordable **housing**,
- Expand businesses which create **jobs**,
- Strengthen **neighborhoods** through the operation of neighborhood centers and community gardens, and the implementation of strategic neighborhood-building projects
- Increase the **access of low and moderate income households and community groups to resources** through the improvement of community service facilities, or enhancement of informational services

The CDBG Commission develops the overall policy for the investment of Federal, State, and local funds administered through the CDBG Office. This eleven-member policy group meets at least monthly to recommend proposals and oversee progress toward the goals articulated in the Five-Year Community and Neighborhood Development Plan, which is the City’s Consolidated Plan approved by the Federal Department of Housing and Urban Development and the Common Council. The Commission operates in a manner that synthesizes a number of perspectives and functional areas, ranging from affordable housing to homeless services, business growth, to neighborhood development. The Commission operates this way in the belief that it is more effective in the long run to develop an integrated development program, rather than develop specialized policy using multiple policy groups, which must then be coordinated through a broader policy body or through other means.

Highlights of 2006 included these ten major activities by the Office or its funded agencies:

1. **Comprehensive neighborhood development:** After a decade of community planning and CD program support, the Madison Area CLT virtually completed the construction and sale of the 20 units of affordable housing at its Troy Garden site. This final housing phase completes an ambitious effort to convert State surplus land into a community asset. This underutilized land has blossomed into a national model of comprehensive neighborhood level development, with community gardens, an extensive nature preserve and specialized conservancy, a community-supported agriculture farm, and 30 units of a mixed-income co-housing project that will maintain a level of affordability into the future.
2. **For-Sale Housing:** Over the last ten years, the CD program worked with several community-based groups to acquire and bank land for future housing developments. The Office played a key role in the development of additional resources for housing, to obtain special EDI grants from HUD, help create a Madison Affordable Housing Trust Fund, create a systematic and flexible way to tap TIF funds for affordable projects, implement a homebuyer down payment program using new HOME (ADDI) funds, and establish options for the creation of inclusionary units through the establishment of a special revenue fund. This year saw the initial sales in two of those major projects--Habitat successfully completed phase I of its Twin Oaks subdivision, and started on Phase II. The Community Land Trust sold its last Camino del Sol home. Workhorse programs like Operation Fresh Start and the Urban League continue to create 6-12 affordable units each year for first-time homebuyers. As for the 18-month old homebuyer assistance program (American Dream Down-payment Initiative), staff was able to reach out to lenders and to community groups and churches, and qualify or commit 45 loans. In addition, the Office worked closely with the CDA to provide additional levels of support to Section 8 household first time homebuyers, and was able to assist through Movin’ Out; 5 of the first 6 participants in the CDA homebuyer program.
3. **Rental Housing:** We also experienced progress on new for-rental developments: Housing Initiatives continued to add to its range of affordable rental housing with the acquisition of 8 more units affordable to very low income people. Tellurian completed its Williamson Street its 8-unit expansion for very-low income homeless individuals in 2006. Porchlight, after a lengthy search for a suitable site and adequate financing, completed and opened a new 19-unit facility to serve formerly

¹ Low- and moderate-income persons are defined as individuals/households whose annual income does not exceed 80% of the area median income. For Madison in 2006, 80% of median income for a family of 4 is \$58,550.

homeless people with stable housing and supportive services. Movin' Out partnered with another organization to acquire and help preserve existing four affordable rental housing. Goodwill completed construction of a new 8-unit building in the Hill Farms area, adding diversity and supportive housing in an area with few such units.

4. **Inclusionary zoning:** After 18 months of discussion, the Council adopted revisions in the inclusionary zoning program to streamline terms for buyers of iz units. 16 iz units were sold and occupied during 2006, 8 of these after the adoption of the revisions. The Council created a new committee to report to the Plan Commission to oversee the policy aspects of the inclusionary zoning program. The Committee selected a consultant to conduct a housing market study, and continues to make policy changes that streamline the overall program.
5. **Flourishing of Assistance and Incubators for Business growth and job creation:** In 2006, several earlier CDBG investments in economic development continued to grow and help businesses create jobs. Near the end of 2005, the CDBG program participated with the Dane Fund and WHEDA in a New Market Tax Credit financing for Genesis that increased their financial stability and lowered their operating expenses in 2006. In 2006, the program helped support Common Wealth in its search for a site and capital campaign to develop an arts incubator. In 2006, Madison Development Corporation approved 7 loans totaling over \$840,000, ranging in focus from a neighborhood-oriented business, Carl's Cake, to a high tech basic sector business Tomo Therapy.
6. **Neighborhood Center Program Stabilization and Expansion:** Three years ago, the City had concerns about the capacity and level of effectiveness of two centers in serving their neighborhoods. The CDBG Commission reached out to two more experienced organizations and selected the Boys and Girls Club and the Vera Center organization to build center programs more responsive to those neighborhoods. Over the last several years, these centers have improved their governance and accountability, brought in new staff and funding, and increased the numbers of participants and program quality. Three other neighborhood centers completed the year on high notes as they made substantial progress in their fund-raising for new center construction or expansion. Wexford received a naming gift from Lussier to help build its community education center on Jefferson Middle School grounds; East continued its more public phase of its expansion campaigns, and Atwood developed a financing plan to complete its purchased of the former Ironworks site, conduct its public fund-raising campaign, with a goal to begin renovation in late 2007.
7. **Allied the neighborhood:** In 2006, after several years of planning and perseverance, the Boys and Girls' Club opened its new center to serve the Allied community. The new building quickly became the meeting place of choice for many activities that continue to serve the neighborhood: the community design process, community group meetings, the food pantry, and of course, the expanded range of youth and family programs. Continued discussions among residents, property owners, and the City highlight continuing concerns about safety, housing affordability, property maintenance, and owner viability. 2007 should see some more intensive and tangible efforts to address this range of concerns.
8. **Plans:** The CD program completed its second year of the Five Year Neighborhood and Community Development Plan, and the Mayor adopted a set of Madison Measures to assess overall City agency progress in achieving some benchmarks in operations. The Council accepted a community plan to reduce homelessness developed by a consortium of agencies, a plan that will be used to support applications for future funds and coordination efforts among the agencies. The CDBG Commission recommended Council adoption of the Hiestand Neighborhood Plan, and sponsored the initiation of a concentration neighborhood planning effort in the southwest (Meadowood) area. As part of its continuing strategy to broaden the supply of affordable housing linked to supportive services, the CD program helped several agencies create a total of 45 units to address more permanent housing for homeless persons.
9. **Internal reporting, accountability, and monitoring:** Three staff internal improvement projects involved continued development of our administrative systems in the area of customer service, reporting to our funders, on-site monitoring, and asset management. These efforts involved coordination among CD staff, and close contact with Planning, Comptroller, and Information Services staff. The fruits of these efforts will be visible in the quality of information and reports available on the several websites maintained by the Office and in reports to the Commission and others for decision-making, policy, and management. The Milwaukee HUD Office conducted a four-day on-site review of the CDBG program and ended with a conclusion of 'no findings' for the third year in a row, high praise from our major funder.
10. **Outcome Objectives and Funding Sources:** The CDBG Commission established four primary goals and nine outcome objectives for the use of funds to be administered by the CDBG Office in 2005 and 2006. These funds include three major Federal programs administered through the Department of Housing and Urban Development (Community Development Block Grant, HOME, and Emergency Shelter Grant) several State-funded or administered programs (Division of Housing), and local City of Madison funds. The goals and objectives for this two-year period are derived from the CDBG Office's Community and Neighborhood Development Five-Year Plan and support other Department and Citywide strategic goals, objectives and allocation processes.

Product (Customer Group)	Actual Expenditures % of total funds expended (ESTIMATED preliminary figures)	Nature of Project Achievement or Outcome (ESTIMATED Preliminary Results)
Primary goal: HOUSING		
A. Owner-occupied housing (owner-occupant)	\$756,308 8.3% of total expended	Housing made accessible, brought to code, or made safer or more energy-efficient (over 375 homes assisted and over 25 rehabbed)
B. Housing for buyers (first-time homebuyer)	\$2,465,756 27.0%	Households become homeowners (Over 70 households; plans for 50 more in preparation)
D. Rental Housing (renter)	\$1,449,092 15.9%	Housing units created, renovated to code or made accessible, better managed, and affordable; “fairly” sited (Over 30 households assisted; plans for 50 more units in preparation)
Primary goal: BUSINESS DEVELOPMENT		
E. Business creating jobs (people seeking jobs)	\$1,115,619 12.2%	Jobs created which meet wage standard levels or create advancement opportunities, with 51% for LMI (Over 40 jobs estimated to be created)
F. Micro-business (small business entrepreneur)	\$138,143 1.5%	Business created and viable after 4 years (Over 30 entrepreneurs assisted)
Primary goal: COMMUNITY/NEIGHBORHOOD DEVELOPMENT SERVICES		
G. Civic places (neighborhood residents)	\$792,579 8.7%	Centers and community gardens operated, sustained, developed as neighborhood focal points (9 neighborhood centers and 7 community gardens assisted to serve over 25,000 people)
L. Comprehensive Revitalization (residents and businesses of selected “higher need” areas)	\$120,284 1.3%	Priority projects completed effectively in a three-year period in ways that support healthy neighborhoods; other activities may include a 4-5 year effort in areas that need a longer period of revitalization. (2 priority projects were essentially completed)
Primary goal: ACCESS TO RESOURCES		
K. Capital facilities (agencies with capital facilities serving LMI)	\$860,820 9.4%	Over 4 buildings (Wexford, Neighborhood House, Atwood, Boys and Girls Club) were assisted to acquire adequate space and/or improve their facilities for accessibility, energy, code, or customer service improvements, plus a set-aside for repayment of the Warner Park Center loan
M. Access to resources (low/moderate income persons seeking housing)	\$430,808 4.7%	Household informed, placed into housing, or helped to avoid homelessness (over 11,000 individuals assisted in some way with counseling, case management or mediation)

\$1,009,141 (11.0% of total amount \$9,1385,549 expended) was expended on planning and program administrative activities, including accounting, auditing, legal, affirmative action and historic preservation review, as well as program management within the CDBG Office.

Copies of the Program Funding Framework, the Five-Year Plan, or its summary, may be obtained from the CDBG Office by calling (608) 267-0740; copies of the executive summary are available on the CDBG website at www.cityofmadison.com/cdbg.