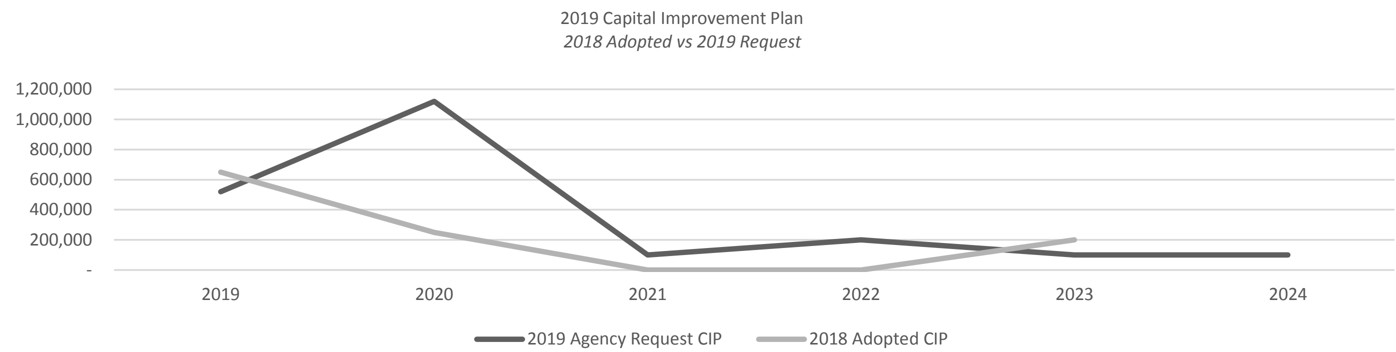
CDA Redevelopment

Capital Improvement Plan

Project Summary

	Agency Priority	2019	2020	2021	2022	2023	2024
Mosaic Ridge Construction Financing	1	520,000	520,000	-	-	-	-
Public Housing Redevelopment	2	-	300,000	100,000	200,000	100,000	100,000
Village on Park	3	-	300,000	-	-	-	-
Total		**$ 520,000**	**$ 1,120,000**	**$ 100,000**	**$ 200,000**	**$ 100,000**	**$ 100,000**

Changes from 2018 CIP



Projects Added

- Mosaic Ridge Construction Financing: Funding for building and loans added for 2019 ($20k) and 2020 ($520k)
- Village on Park: Funding added for 2020 for demolition of the north building and site improvements ($300k)

Program Adjustments

- Public Housing Redvelopment: Funding for 2019 deferred to outyears ($150k) and $100k added to program for 2019-2023

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May 9, 2018

To: David Schmiedicke, Finance Director
From: Natalie Erdman

Subject: CDA Redevelopment 2019 Capital Budget Requests

The CDA Redevelopment 2019 Capital Budget Request reflects the agencies core work in neighborhood revitalization and public housing redevelopment. In preparing the 2019 capital budget request, I have taken the City's fiscal situation and the agency's human resources into account. The primary goal of the 2019 request is to continue the CDA's work concerning (1) neighborhood revitalization on Allied Drive and (2) redevelopment of our aging public housing, which serves very low-income people. In addition, we have requested funding from reserves in 2020 to fund the demolition of the obsolete north end of the Village on Park.

If we are successful in our efforts, we will be providing high quality, affordable housing options for very low-income residents living in public housing and we will be improving two neighborhoods that have experienced instability.

Best Regards,
Natalie Erdman

Submitted

Capital Budget Proposals

Section 1: Identifying Information

Agency

CDA Redevelopment

Proposal Name

Mosaic Ridge Construction Fi

Project Category

Facility

Project Number

10079

Proposal Description

This project funds the construction of the Mosaic Ridge housing development. The goal of the project is to improve the housing stock in the Allied Drive neighborhood and maintain a variety of housing choices for both renters and owners. Progress will be measured by the successful sale of homes to low and moderate income residents, reduced resident turnover, and stable or increasing value of the homes. The project timeline calls for construction to continue in 2018 and to be completed in 2019.

Proposal Type

Project

Priority

1

Section 2: Project Budget

Total Project Budget $1,600,000

Prior Appropriation $1,100,000

Budget by Year

Funding Source	*2019*	*2020*	*2021*	*2022*	*2023*	*2024*
Reserves Applied	520,000	520,000				
Total	$520,000	$520,000	$0	$0	$0	$0

Expense Type	*2019*	*2020*	*2021*	*2022*	*2023*	*2024*
Building	420,000	420,000				
Loans	100,000	100,000				
Total	$520,000	$520,000	$0	$0	$0	$0

What is the methodology used to determine the budget for this project?

Assumes two homes are constructed per year at an average construction cost of $210,000 and four lots are sold without the need to fund construction. Also assumes three cash loans at an average of $33,333 are made to assist low income buyers.

Are any fleet equipment or vehicles being purchased within this project budget?

○ Yes ◉ No

Have matching funds been secured for any projects within the program?

○ Yes ◉ No

Section 3: Project Justification

Is this project called for in an approved master plan?

◉ Yes ○ No

Plan Name: **1990 Allied Drive Neighborhood Plan and 2007 Allied Revitalization Strategy**

Discuss how does the proposed project meet the project requirements as defined in the plan?

The 1990 Allied Drive Neighborhood Plan included (1) improve, maintain and upgrade residential stock and (2) maintain a variety of housing choices for both renters and owners. The 2007 Allied Drive Revitalization Strategy recommends protecting the areas housing affordability and increasing mixed use housing in order to encourage homeownership and help stabilize resident turnover. (pg 17)

What is the desired outcome of the proposed project?

To create a stronger neighborhood on Allied Drive by reducing the amount of substandard rental housing while creating high quality affordable rental housing and homeownership opportunities. To successfully construct and sell homes to low and moderate income households that currently reside in the neighborhood as well as to households from outside the Allied neighborhood. To support a healthier, more vibrant, neighborhood with engaged residents and reduce resident turnover.

How will this outcome be measured?

The outcome will be measured by reporting the number of homes sold in a year to low and moderae income residents both from the neighborhood but also from outside of the neighborhood. Over the long term, we hope to see reduced turnover of residents in the Allied neighborhood.

Section 4: Project Scope & Status

What is the scope of project?

The scope of the project is to sell and construct 24 homes at Mosaic Ridge to residents with a mix of incomes. Seven homes have been sold and 17 lots remain for sale. The CDA facilitiates the sale through (1) building speculative homes, (2) building homes for buyers that are under contract prior to the start of construction , (3) providing low interest and forgivable loans to low and moderate income buyers and (4) selling lots to buyers that build with approved contractor.

Can this project be mapped?

◉ **Yes** ○ **No**

What is the street address of the project?

2401-2433 Allied Drive/2407-2432 Dunns Marsh Terrace 53711

Is this project on the Project's Portal?

○ **Yes** ○ **No**

What is the total project timespan (all years for all phases)?

Start Year: 2014 **End Year:** 2020

What is the current status of the project?

Construction

Planned Schedule

	2019	*2020*	*2021*	*2022*	*2023*	*2024*
Project Status	Construction	Construction				

Section 5: Operating Costs

What is the estimated annual operating costs associated with the project? $30,000

Personnel

# of FTEs	*Annual Cost*	*Description*
.25	25,000	Wages and benefits for redevelopment specialist to manage project

Non-Personnel

Major	*Amount*	*Description*
54	5000	Utilities for model house, website fee, and water sewer charges for vacant lots.

Notes

Notes:

Submitted

Capital Budget Proposals

Section 1: Identifying Information

Agency

CDA Redevelopment

Proposal Name

Public Housing Redevelopme

Project Category

Facility

Project Number

11817

Proposal Description

This program funds planning and implementation of public housing redevelopment through 2023. The goal of this program is to provide quality, affordable housing for low-income seniors and people with disabilities. Progress will be measured by completing the renovation or new construction of modern affordable housing, resident stability, and resident satisfaction. In 2018, projects include the replacement of townhomes at Wright and Anderson (Truax Park), planning for the Triangle complex redevelopment, and replacement of two public housing duplexes on Theresa Terrace.

Proposal Type

Program

Priority

2

Section 2: Program Budget

Prior Authorization

	Budget	*Actual*	*Difference*
2015	0	0	0
2016	0	0	0
2017	200,000	0	200,000
2018	200,000	0	200,000
Total	**400,000**	**0**	400,000

Budget by Year

Funding Source	*2019*	*2020*	*2021*	*2022*	*2023*	*2024*
Non-GF GO Borrowing	0	200,000	100,000	200,000	100,000	100,000
Reserves Applied		100,000				
Total	$0	$300,000	$100,000	$200,000	$100,000	$100,000

Expense Type	*2019*	*2020*	*2021*	*2022*	*2023*	*2024*
Building		300,000	100,000	200,000	100,000	100,000
Total	$0	$300,000	$100,000	$200,000	$100,000	$100,000

Does this program have matching funds?

○ **Yes** ◉ **No**

Section 3: Minor Projects

2019

Planned Projects

Project	*Estimated Cost*	*Street Address*
Planning for Triangle Redevelopment	$200,000	755 Braxton Place 53713
Redevelopment of Public Housing on Theresa Terrace	$50,000	1400 Block Theresa Terrace

Service Level

What are the end products (asset or infrastructure type) provided by this program?

Asset Type	*Quantity*	*Description*
Building		Design Professionals, Accounting and Consultants for Phase 1 Triangle Redevelopment. Implementation of Theresa Terrace Redevelopment. This represents predevelopment costs. Actual cost of construction will be funded from various third party financing sources

2020

Planned Projects

Project	Estimated Cost	Street Address
Redevelopment in Triangle Phase 1	$100,000	755 Braxton Place 53713
Redevelopment Triangle Phase 2	$200,000	1400 Block Theresa Terrace

Service Level

What are the end products (asset or infrastructure type) provided by this program?

Asset Type	Quantity	Description
Building		Continuation of design professionals and consultants for Phase 1 Triangle Redevelopment and commencement of predevelopment which includes design professionals, accountants and consultants for Phase 2 Triangle Redevelopment.

2021

Planned Projects

Project	Estimated Cost	Street Address
Planning Redevelopment in Triangle Phase 2	$100,000	755 Braxton Place 53713

Service Level

What are the end products (asset or infrastructure type) provided by this program?

Asset Type	Quantity	Description
Building		Continuation of predevelopment for Phase 2 Triangle Redevelopment. Phase 1 should be under construction with third party financing sources

2022

Planned Projects

Project	Estimated Cost	Street Address
Planning for Redevelopment of 3A units at Truax	$200,000	3400 Anderson Street 53704

Service Level

What are the end products (asset or infrastructure type) provided by this program?

Asset Type	Quantity	Description
Building		Predevelopment Costs for redevelopment of 3A units at Truax. Costs include design professionals, accounting and other consultants

2023

Planned Projects

Project	Estimated Cost	Street Address
Planning for Redevelopment of 3A units at Truax	$100,000	3400 Anderson Street 53704

Service Level

What are the end products (asset or infrastructure type) provided by this program?

Asset Type	Quantity	Description
Building		Predevelopment costs for redevelopment of 3A units at Truax.

2024

Planned Projects

Project	Estimated Cost	Street Address
Redevelopment in Triangle Phase 3	$100,000	755 Braxton Place 53713

Service Level

What are the end products (asset or infrastructure type) provided by this program?

Asset Type	Quantity	Description
Building		Predevelopment costs for Phase 3 of Triangle Redevelopment

Section 4: Program Justification

What is the program's desired outcome for the customer?

The desired outcome is to improve the living conditions for our public housing residents and provide quality housing for another 60 years.

How is the outcome currently being measured?

The outcome will be measured by resident stability and satisfaction as well as the number of affordable housing units available

Notes

Notes:

Submitted

Capital Budget Proposals

Section 1: Identifying Information

Agency

CDA Redevelopment

Proposal Name

Village on Park

Project Category

Facility

Project Number

10578

Proposal Description

This project represents the ongoing work of maintaining, repairing and improving The Village on Park. Recent work has included energy efficiency, roof replacement, alley repair and storm drainage improvements. The next project represents the demolition of the north building to prepare the site for further development and the repair/replacement of the north parking lot and alley.

Proposal Type

Project

Priority

3

Section 2: Project Budget

Total Project Budget $1,537,000

Prior Appropriation $1,237,000

Budget by Year

Funding Source	*2019*	*2020*	*2021*	*2022*	*2023*	*2024*
Reserves Applied		300,000				
Total	$0	$300,000	$0	$0	$0	$0

Expense Type	*2019*	*2020*	*2021*	*2022*	*2023*	*2024*
Land Improvements		300,000				
Total	$0	$300,000	$0	$0	$0	$0

What is the methodology used to determine the budget for this project?

Rough cost estimate for demolition, asbestos remediation, parking lot repair and alley replacement were created using recent history with similar projects and industry norms.

Are any fleet equipment or vehicles being purchased within this project budget?

○ Yes ◉ No

Have matching funds been secured for any projects within the program?

○ Yes ◉ No

Section 3: Project Justification

Is this project called for in an approved master plan?

○ Yes ◉ No

What is the desired outcome of the proposed project?

The north building at The Village on Park is obsolete and inefficient. The roof and HVAC systems are beyond their useful life and signifcant investment would be needed to renovate and maintain the structure. The desired outcome is to reduce operating expenses, improve parking and prepare space for potential new development. The demolition will remove an unattractive structure from the site and improve neighborhood and customer experience. This project relates to blight removal and neighborhood improvement.

How will this outcome be measured?

It will be measured in reduced cost to heat, cool and maintain buildings at The Village on Park. It will also be measured by the tracking opportunities to attract new investment in the site through additional development.

Section 4: Project Scope & Status

What is the scope of project?

The scope includes the demolition of the north building (35,000 s.f.) and the repair replacement of the north parking lot and north end of the alley.

Can this project be mapped?

◉ Yes ○ No

What is the street address of the project?

2230 South Park Street Madison WI 53713

Is this project on the Project's Portal?

○ **Yes** ○ **No**

What is the total project timespan (all years for all phases)?

Start Year: 2010 **End Year:** 2024

What is the current status of the project?

Planning

Planned Schedule

	2019	*2020*	*2021*	*2022*	*2023*	*2024*
Project Status	Planning	Construction				

Section 5: Operating Costs

What is the estimated annual operating costs associated with the project? $10,000

Personnel

# of FTEs	*Annual Cost*	*Description*
.15	10,000	City staff time associated with managing activity at The Village on Park

Non-Personnel

Major	*Amount*	*Description*

Notes

Notes: