

**CDA Redevelopment
2024 Capital Budget Request Summary**

Request by Proposal

Project/Program Name	2024	2025	2026	2027	2028	2029
Affordable Housing Redevelopment, Development, & Preservation	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
South Madison Redevelopment	1,000,000	5,000,000	3,000,000	-	-	-
Triangle Redevelopment	11,000,000	-	12,000,000	-	7,000,000	-
VOP Affordable Housing Development	-	-	6,000,000	-	-	-
Total	\$ 14,000,000	\$ 7,000,000	\$ 23,000,000	\$ 2,000,000	\$ 9,000,000	\$ 2,000,000

Request by Funding Source - GO Borrowing vs. Other

2024 Request

Funding Source	2024	2025	2026	2027	2028	2029	Total ('24 to '28)
GO Borrowing	8,000,000	5,000,000	19,000,000	-	6,000,000	-	38,000,000
Other	6,000,000	2,000,000	4,000,000	2,000,000	3,000,000	2,000,000	17,000,000
Total	\$ 14,000,000	\$ 7,000,000	\$ 23,000,000	\$ 2,000,000	\$ 9,000,000	\$ 2,000,000	\$ 55,000,000

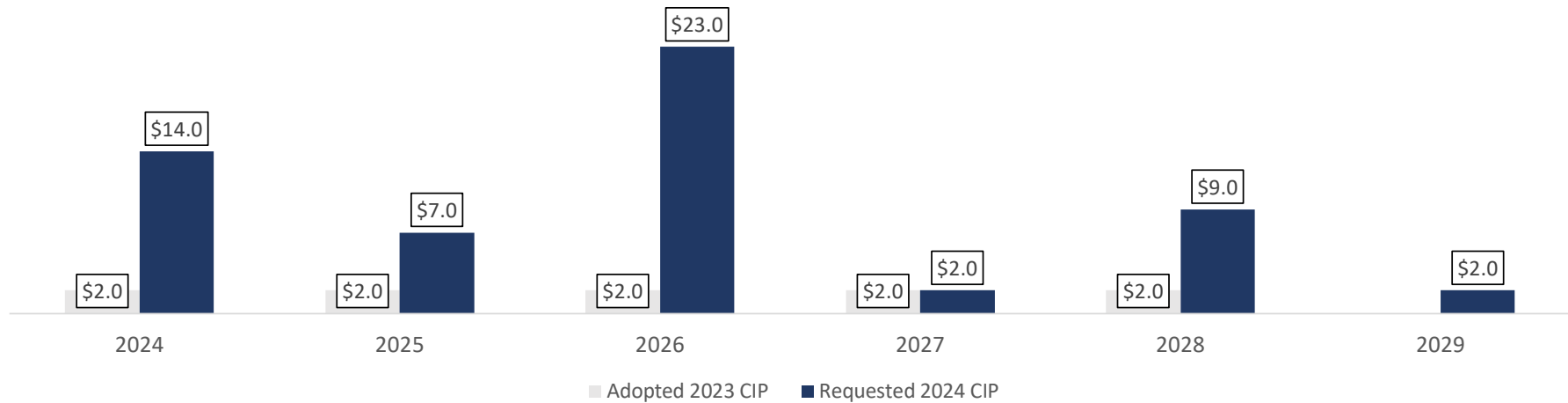
Prior Year CIP

Funding Source	2024	2025	2026	2027	2028	Total ('24 to '28)
Other	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	10,000,000
Total	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 10,000,000

Request vs. Prior Year CIP - % Change

Funding Source	2024	2025	2026	2027	2028	Total ('24 to '28)
GO Borrowing						
Other	200.0%	0.0%	100.0%	0.0%	50.0%	70.0%
Total	600.0%	250.0%	1050.0%	0.0%	350.0%	450.0%

2024 Capital Improvement Plan
2023 Adopted vs. 2024 Request (Millions)



Major Changes

Affordable Housing Redevelopment, Development, & Preservation

- Formerly named the Public Housing Redevelopment program.
- No major change from 2023 Adopted CIP.

Triangle Redevelopment

- New project. Separated from the Affordable Housing Redevelopment, Development, & Preservation program due to the large scale of the project.
- Request includes \$30.0 million budgeted for building costs associated with the redevelopment projects as defined by the Triangle Master Plan.
- Request includes a total of \$17.0 million in GF GO Borrowing; \$6.0 million in borrowing from TID 48 Regent Street in 2024, 2026, and 2028.

South Madison Redevelopment

- New project. Redeveloping surplus property and recent land banking acquisitions to meet the amenity and housing needs outlined in the South Madison Plan.
- Request includes \$9.0 million borrowed from TID 51 South Madison for the period 2024 - 2026 for the multi-phase redevelopment effort.

VOP Affordable Housing Development

- New project. Separated from the Affordable Housing Redevelopment, Development, & Preservation program due to the large scale of the project.
- Request includes \$6.0 million borrowed from TID 51 South Madison in 2026 to fund the redevelopment of the north end of the Village on Park property to incorporate affordable housing.



TO: David Schmiedicke, Finance Department
FROM: Matthew Wachter, CDA Executive Director
DATE: 4/21/2023
SUBJECT: CDA Redevelopment Capital Budget Transmittal Memo

Equity Considerations in the Budget

The CDA’s mission is to develop and provide inclusive and safe places through quality affordable housing, services, and community resources in the City of Madison.

Under state statute, the Community Development Authority is charged with encouraging safe neighborhoods, the provision of healthful homes, and supporting adequate places for employment.

Per the Government Alliance on Race and Equity (GARE), there are two foundational equity elements used in creating a framework for advancing equitable development:

- 1) “Strong communities and people. People and communities with stability and resilience in the face of displacement pressures fare better. An intact community in which people are able to have high quality jobs and financial security; culturally appropriate goods, services, and support; and strong social networks that support the acceptance of a range of cultures has better outcomes.”
- 2) “Great places with equitable access. A city where all neighborhoods are healthy, safe, and afford their resident access to the key determinants of well-being which promotes inclusion.”

The CDA approaches its mission to provide housing and community resources with preferences for households at or below 50% of the area median income, people with disabilities, seniors, formally homeless persons, and lower income statuses. These populations have been historically discriminated against, vulnerable to economic turmoil, and in need of affordable housing to prevent future homelessness, participate in the community, create financial stability, and break generational cycles of poverty.

As can be observed by the CDA’s 2024 capital budget proposal, the CDA is committed to creating conditions that promote racial equity, socioeconomic inclusion, and social justice by fostering quality affordable housing, community resource availability, and socioeconomic inclusion throughout Madison.

Summary of Changes from 2023 Capital Improvement Plan

The CDA is proposing three major changes and one technical clarification from the 2023 Capital Improvement Plan.

-The first being the inclusion of the Triangle Redevelopment as a separate project from the previous CDA Public Housing Redevelopment program. The CDA feels that due to the size, scope, and

visibility of the project it should stand apart from the regular program. In 2022 the CDA engaged a master plan developer which has led to the formation of the current redevelopment plan which includes 4-5 phases of development and will produce roughly 1200 units of housing for mixed socioeconomic households. Current residents will not be displaced and will be offered space in the new development. The development will be funded through a mixture of funding sources including TIF, Tax Credits, CDA reserves, federal funds, and a few other potential sources yet to be determine. In total all phases of the project are expected to cost \$300 million with only a fraction of the funding coming from local sources.

- Next the CDA is proposing the addition of another project called South Madison Redevelopment which consists of redeveloping surplus property and recent land banking acquisitions which were not available/had not yet occurred during the 2023 Capital Budget Process. Since then the City has assembled several acres of land near S. Park Street and Badger Road in anticipation of a large, multi-phase redevelopment project featuring several hundred units of affordable housing. The City also created a new TIF district in South Madison that allocates funds for this project in its Project Plan. Planning will begin as early as 2024 with only a fraction of the costs being funded by local resources.

-Additionally the CDA is presenting another new to the Capital Improvement Plan project called the Village on Park Affordable Housing Development. This project was formally incorporated into the program called "Public Housing Redevelopment" which funds planning, implementation of CDA sponsored affordable housing development, redevelopment, and preservation. Due to the size and projected use of TIF financing the CDA Redevelopment has determined this project should be submitted separately in the Capital Improvement Plan. This project is for the development of affordable housing on the North end of the Village on Park structure.

-Lastly the CDA is proposing a name change to the program formally called "Public Housing Redevelopment" to "Affordable Housing Redevelopment, Development, & Preservation". The change is to better reflect the activities occurring under this program as CDA housing stock moves through disposition, redevelopment, and non-profit statuses rather than simply being limited to the term Public Housing which could be contextually misunderstood at times.

Prioritized List of Capital Requests

- 1) Triangle Redevelopment
 - a. The master planning and resident engagement started in 2023. This year's proposal is the continuation of a multi-year project already in process.
- 2) Affordable Housing Redevelopment, Development, & Preservation
 - a. This core program in collaboration with CDD serves to provide modernization of the current CDA affordable housing stock to ensure a quality stock currently available to Madison
- 3) South Madison Redevelopment
 - a. As this project continues to take shape, incorporation in the 2024 Capital Improvement Plan is important, however, there is slight flexibility in the timeline
- 4) Village on Park Affordable Housing Redevelopment

- a. Although this project has been envisioned for some time, there is flexibility in the timeline of its implementation and would create the best result if developed at the same time as the South Madison Redevelopment project

Enterprise Agencies Only

As required by numerous Federal, State, and local guidelines, operating costs incurred by the Redevelopment's activities are to be self-funded outside of the initial capital investments.

2024 Capital Improvement Plan

Program Budget Proposal

Identifying Information

Agency New or Existing Project

Proposal Name Project Type

Project Number

2024 Project Number

Previous Description

New or Updated Description

This program was formerly called "Public Housing Redevelopment" and the funds planning, implementation of CDA sponsored affordable housing development, redevelopment, and preservation. This includes Public Housing Redevelopment, land banking predevelopment & development, mixed-use developments, MRCDC lead preservation initiatives, and affordable housing renovation support. The CDA accomplishes these projects with the use of loans from the CDD Affordable Housing Development Projects, TIF funding, and various external funding sources such as Low Income Housing Tax Credit programs and other grants/loan structures. The goal of this program is to provide quality, affordable, and integrated housing for low-income individuals, people disabilities, seniors, formally homeless persons, and low-income families. The scope of the program includes the redevelopment of Theresa Terrace, CDA Redevelopment owned properties that are outside of their 15 year tax credit compliance, Public Housing units moving through disposition, formally Public Housing units that have been disposed out of the HUD portfolio, current Public Housing sites, currently held sites waiting for redevelopment, and sites procured through the city's land banking program.

Alignment with Strategic Plans and Citywide Priorities

Citywide Element

Neighborhoods and Housing

Strategy

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

Describe how this project/program advances the Citywide Element

The population of the CDA's Public Housing properties are tenants at or below 50% of the area median income, people of color, people with disabilities, seniors, formally homeless persons, and low-income families. These are populations historically discriminated against, vulnerable to economic turmoil, and in need of affordable housing to prevent future homelessness, participate in the community, create financial stability, and break generational cycles of poverty. Redevelopment not only benefits current tenants, it creates more affordable housing opportunities for future tenants, and integrates households of all socioeconomic levels. This program allows for the renovating, demolition, and reconstruction of structures originally constructed during 1970-1991. Redevelopment decisions are based on the structure's current health, adaptability to the physical & social needs of tenants as well as important feedback gained from continual tenant & community engagement efforts. The end result will not only provide additional affordable housing stock; advance environmentally sustainable features; revitalize important areas of our community; integrate families of all income levels onto formally income segregated sites; offer needed community amenity access to items such as healthcare services, food, and economic opportunity; but also give tenants a place in the boarder community 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)

Does this project/program advance goals in a Citywide agenda or strategic plan other than Imagine Madison (e.g. Climate Forward, Housing Forward, Metro Forward, Vision Zero)?

Yes

If yes, specify which plan(s) the project/program would advance and describe how the project/program will help the City meet its strategic goals.

Climate Forward - The current structures were built between 1970-1991. The structures being of similar age, condition, or at this moment currently uninhabitable. Numerous energy efficient technologies have been developed since the construction of these properties and are intended to be used in the redevelopment such as environmentally mindful HVAC systems, windows, durable greener exteriors & stormwater design to limit the structures' carbon footprint.
Housing Forward - Redevelopment activities will provide the city with increased space utilization, environmental advancements, updated code compliance, and major revitalization of the city's affordable housing stock.

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.

Is the proposed project/program primarily focused on maintenance or repair?

No

For projects/programs that are not specifically focused on maintenance and repair 1) what specific inequities does this program intend to address? How and for whom? 2) What data helped shape your proposal? Data may include qualitative and quantitative data such as demographic, qualified census tracts, environmental justice areas, specific recommendations from a Racial Equity and Social Justice Analysis, or other sources.

The CDA moving through its mission to develop and provide inclusive and safe places through quality affordable housing, services, and community resources in the City of Madison proposes this program to bring modernization, green technology, and additional amenities to the properties currently under the CDA's oversight to help bridge economic inequities within our community.

As per the Government Alliance on Race and Equity (GARE), there are two foundational equity elements used in creating a framework for advancing equitable development:

1) "Strong communities and people. People and communities with stability and resilience in the face of displacement pressures fare better. An intact community in which people are able to have high quality jobs and financial security; culturally appropriate goods, services, and support; and strong social networks that support the acceptance of a range of cultures has better outcomes."

2) "Great places with equitable access. A city where all neighborhoods are healthy, safe, and afford their resident access to the key determinants of well-being which promotes inclusion."

Is the proposed budget or budget change related to a recommendation from a Neighborhood Resource Team (NRT)?

Yes

If yes, please identify the specific NRT and recommendation. Be as specific as possible.

Various projects such as Theresa Terrace have been directly recommended by a NRT, however, all NRT's have stated the need and desire for more quality affordable housing options in their neighborhoods.

Climate Resilience and Sustainability

Does this project/program improve the city's climate resilience or sustainability by addressing climate change impacts, reducing GHG emissions, improving energy efficiency, growing a climate-friendly economy, or reducing the environmental impact of city assets or operations?

Yes

If yes, describe how

Climate Forward - The CDA intends to be part of the Citywide goal of being 100% renewable by 2030. This development when possible will replicate the green targets of the new Triangle development such as:

- Electrify building operations that can directly connect to a renewable energy grid
- Limiting Carbon Emissions
- Investing in efficiency designs and on-site solar energy

Budget Information

Requested Budget by Funding Source

Funding Source	2024	2025	2026	2027	2028	2029
Developer Capital Funding	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
Total	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000

Requested Budget by Expense Type

Expense Type	2024	2025	2026	2027	2028	2029
Building	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
Total	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000

Explain any changes from the 2023 CIP in the proposed funding for this project/program

N/A

If TIF or Impact Fee are a requested funding source, which district(s)

District/Detail	2024	2025	2026	2027	2028	2029

If TIF is a requested funding source, is this request included in an approved TIF project plan? No

If the proposal includes building/ facility expenses, has the proposal been reviewed by City Engineering Facilities? N/A

If no, explain how you developed the facilities cost estimate for the budget request.

Operating Costs

Over the next six years, will the project/program require any of the following IT resources?

Electronic hardware that will be connected to a City device in any manner, including wireless, bluetooth, NFC, etc.?	No
Software (either local or in the cloud)?	No
A new website or changes to an existing website?	No

For projects/programs requesting new software/hardware:

Have you submitted an IT project request form? IT Project Request Form	No
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Changes to existing hardware/software:

Will any existing software or processes need to be modified to support this project/program or initiative? If yes, submit an IT Project Request Form	No
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Surveillance Technology:

Do you believe any of the hardware or software to be considered surveillance technology? Surveillance technology is defined in MGO Sec. 23.63(2). If yes, please reach out to Sarah Edgerton prior to submitting your budget request.	No
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In addition to IT costs, projects/programs may have other operational impacts. Over the next six years, will the project/program require any of the following:

Facilities/land maintenance?	No
Vehicle setup or maintenance costs?	No
External management or consulting contracts?	No
How many additional FTE positions required for ongoing operations of this project/program?	N/A

Estimate the project/program annual operating costs

Description - please detail operating costs by major where available	Annual Costs
	N/A

2024 Capital Improvement Plan

Project Budget Proposal

Identifying Information

Agency	<input type="text" value="CDA Redevelopment"/>	New or Existing Project	<input type="text" value="New"/>
Proposal Name	<input type="text" value="South Madison Redevelopment"/>	Project Type	<input type="text" value="Project"/>
Project Number	<input type="text" value="14431"/>		

Previous Description

New request. No current description

New or Updated Description

<p>This project consists of redeveloping surplus property and recent land banking acquisitions into a new CDA South Madison Development serving many needed functions outlined in the South Madison Comprehensive Plan. The City since the 2023 Capital Improvement Plan submission has assembled several acres of land near S. Park Street and Badger Road in anticipation of a large, multi-phase redevelopment project featuring several hundred units of affordable housing utilizing TIF and housing tax credits. The scope of the project is to be a multi-phase redevelopment effort including the redevelopment of currently city-owned properties, potentially a small number of Public Housing units, currently held sites waiting for redevelopment, and sites procured through the city's land banking program. The project will increase not only needed amenities but also affordable housing. Capital planning will begin as early as 2024.</p>
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Alignment with Strategic Plans and Citywide Priorities

Citywide Element

Neighborhoods and Housing

Strategy

Provide housing options with health and social services for residents who need it most, including residents experiencing homelessness

Describe how this project/program advances the Citywide Element

The population of the CDA's Public Housing properties are tenants at or below 50% of the area median income, people of color, people with disabilities, seniors, formally homeless persons, and low-income families. These are populations historically discriminated against, vulnerable to economic turmoil, and in need of affordable housing to prevent future homelessness, participate in the community, create financial stability, and break generational cycles of poverty. Redevelopment not only benefits current tenants, it creates more affordable housing opportunities for future tenants, and integrates households of all socioeconomic levels. This program allows for the renovating, demolition, and reconstruction of structures originally constructed during 1970-1991. Redevelopment decisions are based on the structure's current health, adaptability to the physical & social needs of tenants as well as important feedback gained from continual tenant & community engagement efforts. The end result will not only provide additional affordable housing stock; advance environmentally sustainable features; revitalize important areas of our community; integrate families of all income levels onto formally income segregated sites; offer needed community amenity access to items such as healthcare services, food, and economic opportunity; but also give tenants a place in the boarder community 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)

Does this project/program advance goals in a Citywide agenda or strategic plan other than Imagine Madison (e.g. Climate Forward, Housing Forward, Metro Forward, Vision Zero)?

Yes

If yes, specify which plan(s) the project/program would advance and describe how the project/program will help the City meet its strategic goals.

Housing Forward - Redevelopment activities will provide the city with increased space utilization, environmental advancements, updated code compliance, and major revitalization & addition to the city's affordable housing stock.

Climate Forward - The CDA intends to be part of the Citywide goal of being 100% renewable by 2030. This development when possible will replicate the green targets of the new Triangle development such as:

- Fully electrify building operations that can directly connect to a renewable energy grid
- Carbon Emissions and Energy:
 - o No use of fossil fuels, including natural gas, to be delivered and used on-site except for emergency power generation.
 - o All buildings shall be net-zero energy ready. This will be achieved by focusing on reducing energy, offsetting with as much on-site PV as available on the roof, and then off-setting the rest with future off-site renewable energy credits
- Investing in efficiency designs and on-site solar energy

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.

Is the proposed project/program primarily focused on maintenance or repair?

No

For projects/programs that are not specifically focused on maintenance and repair 1) what specific inequities does this program intend to address? How and for whom? 2) What data helped shape your proposal? Data may include qualitative and quantitative data such as demographic, qualified census tracts, environmental justice areas, specific recommendations from a Racial Equity and Social Justice Analysis, or other sources.

South Madison has a long history of discriminatory practices from the removal of the Ho-Chunk people, redlining, and the creation of brownfields has left South Madison particularly economically vulnerable and its residents marginalized. The CDA's mission is to develop and provide inclusive and safe places through quality affordable housing, services, and community resources in the City of Madison, which aligns with goal of this project to bring stability and opportunity to the residents of South Madison through the thoughtful redevelopment of the area of S Park St & Badger Rd to assist in reversing this neighborhood's history of housing discrimination.

As per the Government Alliance on Race and Equity (GARE), there are two foundational equity elements used in creating a framework for advancing equitable development:

- 1) "Strong communities and people. People and communities with stability and resilience in the face of displacement pressures fare better. An intact community in which people are able to have high quality jobs and financial security; culturally appropriate goods, services, and support; and strong social networks that support the acceptance of a range of cultures has better outcomes."
- 2) "Great places with equitable access. A city where all neighborhoods are healthy, safe, and afford their resident access to the key determinants of well-being which promotes inclusion."

Is the proposed budget or budget change related to a recommendation from a Neighborhood Resource Team (NRT)?

No

If yes, please identify the specific NRT and recommendation. Be as specific as possible.

Although not directly recommended by the South Madison NRT, South Madison NRT has been a strong advocate for the addition of quality affordable housing development in the area. This development is outlined in the South Madison Plan as well.

Climate Resilience and Sustainability

Does this project/program improve the city's climate resilience or sustainability by addressing climate change impacts, reducing GHG emissions, improving energy efficiency, growing a climate-friendly economy, or reducing the environmental impact of city assets or operations?

Yes

If yes, describe how

Climate Forward - The CDA intends to be part of the Citywide goal of being 100% renewable by 2030. This development when possible will replicate the green targets of the new Triangle development such as:

- Fully electrify building operations that can directly connect to a renewable energy grid
- Carbon Emissions and Energy:
 - o No use of fossil fuels, including natural gas, to be delivered and used on-site except for emergency power generation.
 - o All buildings shall be net-zero energy ready. This will be achieved by focusing on reducing energy, offsetting with as much on-site PV as available on the roof, and then off-setting the rest with future off-site renewable energy credits
- Investing in efficiency designs and on-site solar energy

Budget Information

Requested Budget by Funding Source

Funding Source	2024	2025	2026	2027	2028	2029
Borrowing - TIF	\$ 1,000,000	\$ 5,000,000	\$ 3,000,000			
Total	\$ 1,000,000	\$ 5,000,000	\$ 3,000,000	\$ -	\$ -	\$ -

Requested Budget by Expense Type

Expense Type	2024	2025	2026	2027	2028	2029
Building	\$ 1,000,000	\$ 5,000,000	\$ 3,000,000			
Total	\$ 1,000,000	\$ 5,000,000	\$ 3,000,000	\$ -	\$ -	\$ -

Explain any changes from the 2023 CIP in the proposed funding for this project/program

This project is new to the CDA CIP as it consists of utilizing surplus property and recent land banking acquisitions which were not available/had not yet occurred during the 2023 Capital Budget Process. Since then the City has assembled several acres of land near S. Park Street and Badger Road in anticipation of a large, multi-phase redevelopment project featuring several hundred units of affordable housing to be financed largely through TIF and housing tax credits. Planned to be a multi-phase redevelopment effort, capital planning will begin as early as 2024 with only a fraction of the costs being funded by local resources.

If TIF or Impact Fee are a requested funding source, which district(s)

District/Detail	2024	2025	2026	2027	2028	2029
TIF 51	\$ 1,000,000	\$ 5,000,000	\$ 3,000,000			

If TIF is a requested funding source, is this request included in an approved TIF project plan?

Yes

If the proposal includes building/ facility expenses, has the proposal been reviewed by City Engineering Facilities?

N/A

If no, explain how you developed the facilities cost estimate for the budget request.

The CDA portion of this project will not impact City facilities budget

Operating Costs

Over the next six years, will the project/program require any of the following IT resources?

Electronic hardware that will be connected to a City device in any manner, including wireless, bluetooth, NFC, etc.?	Yes
Software (either local or in the cloud)?	Yes
A new website or changes to an existing website?	Yes

For projects/programs requesting new software/hardware:

Have you submitted an IT project request form? IT Project Request Form	No
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Changes to existing hardware/software:

Will any existing software or processes need to be modified to support this project/program or initiative? If yes, submit an IT Project Request Form	Yes
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Surveillance Technology:

Do you believe any of the hardware or software to be considered surveillance technology? Surveillance technology is defined in MGO Sec. 23.63(2). If yes, please reach out to Sarah Edgerton prior to submitting your budget request.	Yes
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In addition to IT costs, projects/programs may have other operational impacts. Over the next six years, will the project/program require any of the following:

Facilities/land maintenance?	No
Vehicle setup or maintenance costs?	No
External management or consulting contracts?	Yes
How many additional FTE positions required for ongoing operations of this project/program?	

Estimate the project/program annual operating costs

Description - please detail operating costs by major where available	Annual Costs
Operating Costs to the property will be impacted, however, the CDA overall operational needs of the future development are yet to be determined. As a requirement of the allocation of Tax Credits, properties must be able to self-sustain its operational needs.	

2024 Capital Improvement Plan

Project Budget Proposal

Identifying Information

Agency	<input type="text" value="CDA Redevelopment"/>	New or Existing Project	<input type="text" value="New"/>
Proposal Name	<input type="text" value="Triangle Redevelopment"/>	Project Type	<input type="text" value="Project"/>
Project Number	<input type="text" value="14696"/>		

Previous Description

<input type="text" value="New request. No current description"/>
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New or Updated Description

<p>This project formally was encapsulated by the "Public Housing Redevelopment", however, due to the size and impact of the project the CDA has moved it into its own project as defined by the Capital Budget Process. The goal of this project is to provide quality, affordable, and integrated housing for low-income individuals, people disabilities, seniors, formally homeless persons, and low-income families at the current Public Housing Developments called The Triangle, Parkside, & Karabis. The scope of the project includes the redevelopment of Public Housing units moving through Repositioning and future units as defined by The Triangle Master Plan.</p>
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Alignment with Strategic Plans and Citywide Priorities

Citywide Element

Neighborhoods and Housing

Strategy

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

Describe how this project/program advances the Citywide Element

The population of the CDA's Public Housing properties are tenants at or below 50% of the area median income, people of color, people with disabilities, seniors, formally homeless persons, and low-income families. These are populations historically discriminated against, vulnerable to economic turmoil, and in need of affordable housing to prevent future homelessness, participate in the community, create financial stability, and break generational cycles of poverty. Redevelopment not only benefits current tenants, it creates more affordable housing opportunities for future tenants, and integrates households of all socioeconomic levels. This project allows for the renovating, demolition, and reconstruction of structures originally constructed during 1970's or earlier. Redevelopment decisions are based on the structure's current health, adaptability to the physical & social needs of tenants as well as important feedback gained from continual tenant & community engagement efforts. The end result will not only provide additional affordable housing stock; advance environmentally sustainable features; revitalize our community; integrate families of all income levels onto formally income segregated sites; offer needed community amenity access to items such as healthcare services, food, and economic opportunity; but also integrate tenants of various socioeconomic classes to create a more inclusive community. "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)

Does this project/program advance goals in a Citywide agenda or strategic plan other than Imagine Madison (e.g. Climate Forward, Housing Forward, Metro Forward, Vision Zero)?

Yes

If yes, specify which plan(s) the project/program would advance and describe how the project/program will help the City meet its strategic goals.

Climate Forward - The current Triangle structures were built in 1976, 1977, & 1978. The other structures mentioned in the description above are of similar age, condition, or at this moment currently uninhabitable. Numerous energy efficient technologies have been developed since the construction of these properties and are intended to be used in the redevelopment such as environmentally mindful HVAC systems, windows, durable greener exteriors & stormwater design to limit the structures' carbon footprint.
Housing Forward - Redevelopment activities will provide the city with increased space utilization, environmental advancements, updated code compliance, and major revitalization of the city's affordable housing stock.

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.

Is the proposed project/program primarily focused on maintenance or repair?

No

For projects/programs that are not specifically focused on maintenance and repair 1) what specific inequities does this program intend to address? How and for whom? 2) What data helped shape your proposal? Data may include qualitative and quantitative data such as demographic, qualified census tracts, environmental justice areas, specific recommendations from a Racial Equity and Social Justice Analysis, or other sources.

The Triangle formally known as Greenbush was originally a diverse area comprised of lower income families the majority being Italian, Sicilian, Albanian, Jewish, and African American. Starting in the 1950's urban renewal led to the displacement of the community. Today the Triangle property consists of mainly lower income, disabled, and historically marginalized households. The CDA moving through its mission to develop and provide inclusive and safe places through quality affordable housing, services, and community resources in the City of Madison proposes this project to bring needed affordable housing, community amenities, social integration, and prevent the displacement of current residents to bridge housing and resource inequities often experienced by households within the demographics served by the CDA.

As per the Government Alliance on Race and Equity (GARE), there are two foundational equity elements used in creating a framework for advancing equitable development:

- 1) "Strong communities and people. People and communities with stability and resilience in the face of displacement pressures fare better. An intact community in which people are able to have high quality jobs and financial security; culturally appropriate goods, services, and support; and strong social networks that support the acceptance of a range of cultures has better outcomes."
- 2) "Great places with equitable access. A city where all neighborhoods are healthy, safe, and afford their resident access to the key determinants of well-being which promotes inclusion."

Is the proposed budget or budget change related to a recommendation from a Neighborhood Resource Team (NRT)?

No

If yes, please identify the specific NRT and recommendation. Be as specific as possible.

Although not recommended by a NRT, the Triangle Redevelopment is extensively outlined in the adopted 2019 Triangle Monona Bay Neighborhood Plan.

Climate Resilience and Sustainability

Does this project/program improve the city's climate resilience or sustainability by addressing climate change impacts, reducing GHG emissions, improving energy efficiency, growing a climate-friendly economy, or reducing the environmental impact of city assets or operations?

Yes

If yes, describe how

The CDA intends to be part of the Citywide goal of being 100% renewable by 2030, therefore, the new Triangle development is planned to include the following climate resilient & sustainable targets:

- Fully electrify building operations that can directly connect to a renewable energy grid
- Carbon Emissions and Energy:
 - o No use of fossil fuels, including natural gas, to be delivered and used on-site except for emergency power generation.
 - o All buildings shall be net-zero energy ready. This will be achieved by focusing on reducing energy, offsetting with as much on-site PV as available on the roof, and then off-setting the rest with future off-site renewable energy credits
- Reduce operational costs by investing in efficiency designs and on-site solar energy

Budget Information

Requested Budget by Funding Source

Funding Source	2024	2025	2026	2027	2028	2029
Developer Capital Funding	\$ 3,000,000		\$ 1,000,000		\$ 1,000,000	
Borrowing - GF GO	\$ 5,000,000		\$ 8,000,000		\$ 4,000,000	
Borrowing - TIF	\$ 2,000,000		\$ 2,000,000		\$ 2,000,000	
Reserves Applied	\$ 1,000,000		\$ 1,000,000		\$ -	
Total	\$ 11,000,000	\$ -	\$ 12,000,000	\$ -	\$ 7,000,000	\$ -

Requested Budget by Expense Type

Expense Type	2024	2025	2026	2027	2028	2029
Building	\$ 11,000,000		\$ 12,000,000		\$ 7,000,000	
Total	\$ 11,000,000	\$ -	\$ 12,000,000	\$ -	\$ 7,000,000	\$ -

Explain any changes from the 2023 CIP in the proposed funding for this project/program

In the 2023 CIP, the Triangle Redevelopment was encapsulated in the CDA Redevelopment's program "Public Housing Redevelopment" without a dollar amount assigned to the project as the project still developing and taking form. As the CDA Redevelopment engaged a master plan developer last year using the current property held redevelopment reserves, the financial and physical plans have taken form. The CDA feels that due to the large scale nature of the project it needs to stand as its own project outside of the Public Housing Redevelopment program. The Redevelopment is estimated to happen over the course of 5 Phases and will produce roughly 1200 units of mixed socioeconomic households. Current residents will not be displaced and offered space in the new development. The development will be funded through a mixture of funding sources including Tax Credits, reserves, TIF, federal funds, and a few other potential sources yet to be determine. Additionally, as the developer the CDA could receive development fees and additional financial incentives to offset the GO Borrowing. In total all phases of the project is expected to cost \$300 million with only a fraction of the funding coming from local sources.

If TIF or Impact Fee are a requested funding source, which district(s)

District/Detail	2024	2025	2026	2027	2028	2029
TID 48	\$ 2,000,000		\$ 2,000,000		\$ 2,000,000	

If TIF is a requested funding source, is this request included in an approved TIF project plan?

No

If the proposal includes building/ facility expenses, has the proposal been reviewed by City Engineering Facilities?

N/A

If no, explain how you developed the facilities cost estimate for the budget request.

Operating Costs

Over the next six years, will the project/program require any of the following IT resources?

Electronic hardware that will be connected to a City device in any manner, including wireless, bluetooth, NFC, etc.?	Yes
Software (either local or in the cloud)?	Yes
A new website or changes to an existing website?	Yes

For projects/programs requesting new software/hardware:

Have you submitted an IT project request form? IT Project Request Form	No
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Changes to existing hardware/software:

Will any existing software or processes need to be modified to support this project/program or initiative? If yes, submit an IT Project Request Form	Yes
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Surveillance Technology:

Do you believe any of the hardware or software to be considered surveillance technology? Surveillance technology is defined in MGO Sec. 23.63(2). If yes, please reach out to Sarah Edgerton prior to submitting your budget request.	Yes
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In addition to IT costs, projects/programs may have other operational impacts. Over the next six years, will the project/program require any of the following:

Facilities/land maintenance?	No
Vehicle setup or maintenance costs?	No
External management or consulting contracts?	Yes
How many additional FTE positions required for ongoing operations of this project/program?	

Estimate the project/program annual operating costs

Description - please detail operating costs by major where available	Annual Costs
Operating Costs to the property will be impacted, however, the overall operational needs of the future development are yet to be determined. As a requirement of the allocation of Tax Credits, the property must be able to self-sustain its operational needs.	

2024 Capital Improvement Plan

Project Budget Proposal

Identifying Information

Agency	<input type="text" value="CDA Redevelopment"/>	New or Existing Project	<input type="text" value="New"/>
Proposal Name	<input type="text" value="VOP Affordable Housing Development"/>	Project Type	<input type="text" value="Project"/>
Project Number	<input type="text" value="14701"/>		

Previous Description

New request. No current description

New or Updated Description

<p>This project was formally incorporated into the program called "Public Housing Redevelopment" which funds planning, implementation of CDA sponsored affordable housing development, redevelopment, and preservation. Due to the size and projected use of TIF financing the CDA Redevelopment has determined this project should be submitted separately in the current Capital Improvement Plan submission. This project is for the development of affordable housing on the North end of the Village on Park structure. The goal of this project is to provide quality, affordable, and integrated housing for people with disabilities, seniors, formally homeless persons, and low-income households. The scope of the program includes the redevelopment of North end of the Village on Park property to incorporate affordable housing.</p>
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Alignment with Strategic Plans and Citywide Priorities

Citywide Element

Neighborhoods and Housing

Strategy

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

Describe how this project/program advances the Citywide Element

The population of the CDA's Public Housing properties are tenants at or below 50% of the area median income, people of color, people with disabilities, seniors, formally homeless persons, and low-income families. These are populations historically discriminated against, vulnerable to economic turmoil, and in need of affordable housing to prevent future homelessness, participate in the community, create financial stability, and break generational cycles of poverty. Redevelopment not only benefits current tenants, it creates more affordable housing opportunities for future tenants, and integrates households of all socioeconomic levels. This program allows for the renovating, demolition, and reconstruction of structures originally constructed during 1970-1991. Redevelopment decisions are based on the structure's current health, adaptability to the physical & social needs of tenants as well as important feedback gained from continual tenant & community engagement efforts. The end result will not only provide additional affordable housing stock; advance environmentally sustainable features; revitalize important areas of our community; integrate families of all income levels onto formally income segregated sites; offer needed community amenity access to items such as healthcare services, food, and economic opportunity; but also give tenants a place in the boarder community 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)

Does this project/program advance goals in a Citywide agenda or strategic plan other than Imagine Madison (e.g. Climate Forward, Housing Forward, Metro Forward, Vision Zero)?

Yes

If yes, specify which plan(s) the project/program would advance and describe how the project/program will help the City meet its strategic goals.

Climate Forward - The CDA intends to be part of the Citywide goal of being 100% renewable by 2030. This development when possible will replicate the green targets of the new Triangle development such as:

- Electrify building operations that can directly connect to a renewable energy grid
- Limiting Carbon Emissions
- Investing in efficiency designs and on-site solar energy

Housing Forward - Redevelopment activities will provide the city with increased space utilization, environmental advancements, updated code compliance, and major revitalization of the city's affordable housing stock.

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.

Is the proposed project/program primarily focused on maintenance or repair?

No

For projects/programs that are not specifically focused on maintenance and repair 1) what specific inequities does this program intend to address? How and for whom? 2) What data helped shape your proposal? Data may include qualitative and quantitative data such as demographic, qualified census tracts, environmental justice areas, specific recommendations from a Racial Equity and Social Justice Analysis, or other sources.

South Madison has a long history of discriminatory practices from the removal of the Ho-Chunk people, redlining, and the creation of brownfields has left South Madison particularly economically vulnerable and its residents marginalized. The CDA moving through its mission to develop and provide inclusive and safe places through quality affordable housing, services, and community resources in the City of Madison proposes this project to bring stability and opportunity to the residents of South Madison through the thoughtful redevelopment of additional affordable housing to assist in reversing this neighborhood's history of housing discrimination.

As per the Government Alliance on Race and Equity (GARE), there are two foundational equity elements used in creating a framework for advancing equitable development:

- 1) "Strong communities and people. People and communities with stability and resilience in the face of displacement pressures fare better. An intact community in which people are able to have high quality jobs and financial security; culturally appropriate goods, services, and support; and strong social networks that support the acceptance of a range of cultures has better outcomes."
- 2) "Great places with equitable access. A city where all neighborhoods are healthy, safe, and afford their resident access to the key determinants of well-being which promotes inclusion."

Is the proposed budget or budget change related to a recommendation from a Neighborhood Resource Team (NRT)?

No

If yes, please identify the specific NRT and recommendation. Be as specific as possible.

Although not directly recommended by the South Madison NRT, South Madison NRT has been a strong advocate for the addition of quality affordable housing development in the area. This development is outlined in the South Madison Plan as well.

Climate Resilience and Sustainability

Does this project/program improve the city's climate resilience or sustainability by addressing climate change impacts, reducing GHG emissions, improving energy efficiency, growing a climate-friendly economy, or reducing the environmental impact of city assets or operations?

Yes

If yes, describe how

Climate Forward - The CDA intends to be part of the Citywide goal of being 100% renewable by 2030. This development when possible will replicate the green targets of the new Triangle development such as:

- Electrify building operations that can directly connect to a renewable energy grid
- Limiting Carbon Emissions
- Investing in efficiency designs and on-site solar energy

Budget Information

Requested Budget by Funding Source

Funding Source	2024	2025	2026	2027	2028	2029
Borrowing - TIF			\$ 6,000,000			
Total	\$ -	\$ -	\$ 6,000,000	\$ -	\$ -	\$ -

Requested Budget by Expense Type

Expense Type	2024	2025	2026	2027	2028	2029
Building			\$ 6,000,000			
Total	\$ -	\$ -	\$ 6,000,000	\$ -	\$ -	\$ -

Explain any changes from the 2023 CIP in the proposed funding for this project/program

This project was formally incorporated into the program called "Public Housing Redevelopment" which funds planning, implementation of CDA sponsored affordable housing development, redevelopment, and preservation. Due to the size and projected use of TIF financing the CDA Redevelopment has determined this project should be submitted separately in the current Capital Improvement Plan.

If TIF or Impact Fee are a requested funding source, which district(s)

District/Detail	2024	2025	2026	2027	2028	2029
TIF 51			\$ 6,000,000			

If TIF is a requested funding source, is this request included in an approved TIF project plan?

Yes

If the proposal includes building/ facility expenses, has the proposal been reviewed by City Engineering Facilities?

N/A

If no, explain how you developed the facilities cost estimate for the budget request.

Operating Costs

Over the next six years, will the project/program require any of the following IT resources?

Electronic hardware that will be connected to a City device in any manner, including wireless, bluetooth, NFC, etc.?	No
Software (either local or in the cloud)?	No
A new website or changes to an existing website?	No

For projects/programs requesting new software/hardware:

Have you submitted an IT project request form? IT Project Request Form	No
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Changes to existing hardware/software:

Will any existing software or processes need to be modified to support this project/program or initiative? If yes, submit an IT Project Request Form	No
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Surveillance Technology:

Do you believe any of the hardware or software to be considered surveillance technology? Surveillance technology is defined in MGO Sec. 23.63(2). If yes, please reach out to Sarah Edgerton prior to submitting your budget request.	No
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In addition to IT costs, projects/programs may have other operational impacts. Over the next six years, will the project/program require any of the following:

Facilities/land maintenance?	No
Vehicle setup or maintenance costs?	No
External management or consulting contracts?	Yes
How many additional FTE positions required for ongoing operations of this project/program?	0.00

Estimate the project/program annual operating costs

Description - please detail operating costs by major where available	Annual Costs
	N/A