



CDA Redevelopment Q1-2021 Financial Report

Burr Oaks

- At the end of April, Burr Oaks maintains a slightly higher than expected revenues received at \$694 above the projection.
- Property expenses at the end of first quarter are \$28,514 under budget with primary savings being due to budgeted Capital Projects not occurring till later in the year.
- The property currently has a \$36,544 surplus ending April.
- Management is currently looking to engage Lutheran Social Services to provide tenant services in order to promote overall tenant well-being, inclusion, and community engagement.

Monona Shores

- Monona Shores ends April \$5,837 above the projected revenue. This is mainly due to past due tenants paying past due amounts.
- Operating expenses are lower than expected at \$11,414 below budget.
- As of March 31, the property was \$17,250 above the expected net income. Management reports that tenant retention is continuing to be much higher than expected.
- Capital expenditures are planned into the rest of the year.

Reservoir (CDA 95-1)

- The Reservoir remains a consistently high performer in maintaining 100% occupancy and very low turnover. Revenues were slightly lower (\$37) than budgeted at the end April.
- Operating expenses were also slightly higher than expected (\$2,257). This is in large part due to electrical & snow removal expenses.
- At end of April, the property was \$2,293 below the budgeted net income.
- Various capital repairs will become a priority in the near future such as cedar siding replacement or repair.

Revival Ridge

- Revival Ridge is \$4,502 under projected revenues. Slightly higher vacancy is the main contributing factor to the lower than expected revenues.
- Operating expenses are currently \$1,805 under budget.
- Overall, the property is slightly behind on the year at \$2,698 below the budgeted net income.
- Future capital improvements include appliances, building siding, and LED lighting upgrades.

Village on Park

- As of 4/30 there were 6 vacant units creating an occupancy rate of 82% based on unit percentage
- As of 4/30 Four tenants were delinquent on rent – three have paid in full since 4/30
- At the end of April, property income was \$1,674 below budget.
- At the end of April, operating expenses were \$40,489 below budget. This is primarily the result of various bills not being received in the expected timeframe.
- In comparison to last year the property's NOI has remained very steady.
- The property has recently been award \$3 million in TIF funds to start the demo of the North Building, complete storm water work, make a space for a Black Business Incubator, space for future affordable housing, and a parking structure.

Allied Fund

- Mosaic Ridge has 6 home pending sale by the end of 2021.
- On May 1, the Allied Fund has \$316,924 in cash. The year-end cash balance is primarily dependent on home sales and construction in Mosaic Ridge.

General Fund

- As of May 1st, the General Fund had a cash balance of \$522,820. This has balance is in large part due to a transfer from Monona Shores in Q3 2021 of \$454,505. The balance is expected to increase as the CDA is waiting on an interest payment from Village on Park.
- Significant expenses remaining in 2021 include the start of construction at Village on Park as well as continued construction at Mosaic Ridge.
- The Board also authorized the sale of 601 S. Baldwin (\$285,000), which the RFP has gone out and showings are being scheduled.

CDA Program Descriptions

Burr Oaks Senior Housing, LLC

Burr Oaks is a three-story building with 50 units completed in 2011. Of the units, 30 are Section 8 project-based vouchers and 11 are HOME assisted units and have income restrictions. Burr Oaks is operated under a limited liability corporation with an operating agreement between the CDA and Wells Fargo Affordable Housing Community Development Corporation. The property is managed by Horizon Management Services. The fifteen-year compliance period ends in 2027. The extended-use period ends in 2042.

Monona Shores Apartments

Monona Shores Apartments include 104 units in eight buildings completed in 1999. Of the units, 71 are tax credit units. The property is owned by the CDA and managed by Founders 3. The fifteen-year compliance period ended in 2014. The extended-use period ends in 2029.

Allied Fund and Revival Ridge Apartments

The Allied Fund contains the combined activity of both Revival Ridge Apartments and Mosaic Ridge. Revival Ridge is a 49-unit apartment complex completed in 2009. There are 36 project-based vouchers assigned to the property. The property operates under a limited liability corporation with an operating agreement between the CDA and NEF Assignment Corporation. The fifteen-year compliance period ends in 2024. The extended use period ends in 2039.

Mosaic Ridge is an entrepreneurial endeavor to construct single family homes in the Allied Drive neighborhood. Homes are sold with down payment assistance packages that vary based on income. Homes are constructed by Bluestone Custom Housing.

Reservoir Apartments (CDA 95-1)

CDA 95-1 includes six buildings with 28 units and one historic commercial space for non-profit use. The property also includes a two-flat building that is intended to be sold or redeveloped. CDA 95-1 is owned by the CDA and managed by Founders 3. Historically, CDA 95-1 was owned by the Madison Mutual Housing Association and Cooperative. The CDA assumed ownership in 1995 when the previous owner dissolved.

Village on Park

The Village on Park is a 125,000 square foot retail and commercial center on South Park Street. It was purchased by the CDA in 2004 for \$9 million and has been substantially rehabilitated using general obligation borrowing from the City. The north building on the property is past its useful life. The property is managed by Founders 3.

General Fund

The CDA General Fund supports six purposes: 1) general administrative activity, 2) retention of property funds, 3) revenue bond repayments, 4) maintenance of undeveloped real estate, 5) limited-duration redevelopment activities, and 6) limited liability corporation managing partner activities. In short, it is the general purpose financial structure for CDA redevelopment activities.