

**CITY OF MADISON
INTERDEPARTMENTAL CORRESPONDENCE**

TO: Community Development Authority
FROM: Percy Brown, CDA Deputy Executive Director
DATE: April 4, 2013
SUBJECT: Economic Development Status Report for the month of
March 2013

WEST BROADWAY REDEVELOPMENT AREA

Lake Point Condominium Project: Attached please find the real estate marketing and monthly project report.

RESERVOIR AND DUPLEXES

The Reservoir and Duplex are fully occupied.

MONONA SHORES

The occupancy at Monona Shores increased to 94%. Of the 6 vacant units, 3 were market rate and 3 were affordable units. Please see the attached Monthly Owner's Report for more details.

REVIVAL RIDGE APARTMENTS

Revival Ridge is fully occupied..

LOAN STATUS REPORT

See attached.

Percy Brown, Manager
Office of Economic Revitalization

PROJECT REPORT

Prepared for: Community Development Authority of Madison, WI

Prepared by: SPL Beverly, LLC

Date: April 4, 2013

Report #:



April 4, 2013-Lake Point Condominiums Monthly Report

Inventory

- 4 Townhomes
- 4 Conversion Unit Apartments

Contracts

- 1 unit under contract pending mortgage approval
- 1 townhome under contract
- 2 Conversion contracts

PROJECT OVERVIEW

Potential buyer traffic has improved and Lake Point has four contracts working toward closing. Two have lender commitment and we'll know more on the others two in a few weeks. Helpful outreach and strong communication by Natalie and the CDA staff have been a critical component in the Lake Point lender quest. Presumably, subject to closing our current contracts, we meet all FHA standards and should have an easier time procuring loans for the balance of the inventory.

As part of the conversion unit contracts, we will be expanding the laundry facilities and thus the electrical capacity in the Garden View basement. Additionally, with the thaw, we have some deck leak issues to repair (again). Our previous correction efforts have proven to hold and I'm sure these corrections will follow suit.

Site Work

- 1) Epoxy injections for the Garden View basement cracks are being monitored during rains.
- 2) The stairway deck repair is complete.
- 3) The drainage issue on Garden View court was reviewed at the end of July. We have no plan to proceed on work in or around this situation at this juncture.
- 4) Per the electrician's review, the common electrical panel servicing the basement is overloaded with the 20+ washers and dryers. Several electricians are bidding expansion and upgrade of the basement service.
- 5) The Garden View Building water softener is original (1960s) and not functioning. Two alternative options to remedy this issue are being reviewed.

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Conversion Units

The inventory is in sound shape. Three units remain unfinished.

Townhomes

The inventory is in sound shape. Two units remain unfinished.

Marketing

The Keller Williams report is attached.

Monthly Owner's Report for the Month of March, 2013
The New Monona Shores Apartment Homes

Operations and Marketing:

Occupancy:

The property increased occupancy to 94%. There were 98 occupied and 6 vacant units, of which 3 were market rate and 3 were affordable units. There are also 2 pending applications, all wanting to move-in as soon as possible.

During the month of March, 5 households were denied housing, bringing the year to date total to 10. Criminal records, poor credit and unacceptable housing history were the determining factors.

Resident Functions:

Nothing new to report

New Resident Services:

The property has started a coupon exchange, where the residents can pick up and/or leave coupons.

Cost/Time Savings Ideas:

Nothing new to report.

Street Rent Changes:

Slight increases went into effect in March. The Section 8 utility allowances increased.

Capital Improvements:

During the month of March, we replaced one carpet and a kitchen floor. We also have 4 water heaters in order.

Security/Crime Incidents:

Our local contact at the MPD continues to work on our written reports. None provided thus far. Staff has been in contact and they're still working on it.

Marketing:

We are focusing our efforts in leasing the remaining vacant and on-notice units with primarily web based advertising because it's very effective and affordable. Including notices to vacate, we have 7 apartments to lease.

New apartment web sites are popping up all the time and we have found that Zillow is bringing us some leads. We are also working with the Monona Chamber of Commerce to enhance up our web presence. The property donated a gift basket to the Monona Chamber Bowling Tournament Silent Auction & the event was a success.

Traffic is picking up as the weather begins to change.

Staff continues to regularly check Craig's List and follow up on people who list their needs when searching for housing. This generates some traffic for the site. Despite the junk mail, it's worth the time and effort.

Both the administrative and maintenance staff completes marketing and outreach calls to businesses and agencies in the areas.

Flexible leases are still being offered with new move-ins and renewals, as long as they expire during the rental season, primarily, April through August.

Local Market Conditions:

Overall occupancy in the area has decreased, however, the two large neighboring properties are reporting more vacancies than in past months. One property reports they are "cleaning house."

Local Development:

Nothing new to report in our immediate target market.

60 day Objectives

- The main focus for the staff remains obtaining qualified rentals and maintaining occupancy 95% or higher. Including notices to vacate, and providing pending applications work out, we currently have 7 units to lease.
- Staff will be concentrating their efforts in finishing the majority of recertifications and/or renewals in the coming months. They will also continue their efforts working on accounts receivable. The current resident accounts receivable decreased considerably in March.
- The audit and tax return has been completed and routed to the appropriate parties.

Maintenance:

- Staff will begin bidding out several capital projects in the coming months.
- We will be getting bids to complete a long term capital improvement plan. We've met and toured the site with one contractor thus far.
- The bidding process for annual lawn maintenance is done and we've rehired the company that had both the lawn ('12) and snow contracts ('12/'13).
- Finishing up spring preventive maintenance in the coming month.

Personnel:

We are currently seeking a full-time maintenance technician. Our roving maintenance person is filling in.

Other Misc. Administration:

Nothing new to report.

**HOUSING REHABILITATION LOAN
STATUS FOR THE MONTH OF MARCH,
2013**

<u>Program:</u>	<u>No:</u>	<u>Unit:</u>
New Applications		
Deferred Payment/HOME	1	1
TOTALS:	1	1
Applications in Initial Processing		
Deferred Payment/HOME	6	6
TOTALS:	6	6
Applications in Bidding Stage		
Installment Loan (City)	2	2
TOTALS:	2	2
Projects Under Construction		
Deferred Payment/HOME	7	6
Homebuyers Assistance Loan	4	5
Installment Loan (City)	5	5
TOTALS:	16	16
Projects Completed this Year		
Homebuyers Assistance Loan	2	2
Installment Loan (City)	1	1
TOTALS:	3	3

**STATUS REPORT FOR THE MONTH OF MARCH 2013
HOUSING REHABILITATION LOANS**

PROGRAM	FUNDS AVAILABLE BEGINNING IN 2013	SOURCE OF REMAINING FUNDS AVAILABLE		ADJUSTED TOTAL FUNDS FOR 2013	LOANS CLOSED THIS MONTH		LOANS CLOSED YEAR TO DATE		REMAINING 2013 FUNDS AVAILABLE	LOANS APPROVED BUT NOT CLOSED		ADJUSTED TOTAL AVAILABLE	ADDITIONAL LOANS COMMITTED BUT NOT CLOSED		UNCOMMITTED LOAN FUNDS AVAILABLE
		TRANSFERRED YEAR TO DATE	LOAN FUNDS TRANSFERRED THIS MONTH		NO. UNITS	DOLLAR AMOUNT	NO. UNITS	DOLLAR AMOUNT		NO. UNITS	DOLLAR AMOUNT		NO. UNITS	DOLLAR AMOUNT	
Installment (City)sr-56	\$314,114			\$314,114					\$314,114			\$314,114	2/2	\$38,000	\$276,114
Deferred (City)															
Deferred (CDBG)	\$55,000			\$55,000			1/1	\$17,000	\$38,000			\$38,000			\$38,000
Deferred (HOME)	\$412,370			\$412,370			1/1	\$16,250	\$396,120			\$396,120			\$396,120
Homebuyer (HBA)sr-61	\$61,994			\$61,994					\$61,994			\$61,994			\$61,994
TOTAL	\$843,478			\$843,478			2/2	\$33,250	\$810,228			\$810,228	2/2	\$38,000	\$772,228

DOWN PAYMENT ASSISTANCE LOANS

PROGRAM	BEGINNING FUNDS AVAILABLE IN 2013	SOURCE OF REMAINING FUNDS AVAILABLE		ADJUSTED FUNDS AVAILABLE	LOANS CLOSED THIS MONTH		LOANS CLOSED YTD		REMAINING FUNDS AVAILABLE	LOANS COMMITTED BUT NOT CLOSED		UNCOMMITTED LOAN FUNDS AVAILABLE
		TRANSFERRED YEAR TO DATE	LOAN FUNDS TRANSFERRED THIS MONTH		Home-Buy		Home-Buy			Home-Buy		
					Number	\$ Amount	Number	\$ Amount		Number	\$ Amount	
Home-Buy	Home-Buy											
	\$84,140			\$84,140	2	\$10,000	4	\$25,000	\$59,140	2	\$15,000	\$44,140
					Number	\$ Amount	Number	\$ Amount		Number	\$ Amount	
				\$84,140	2	\$10,000	4	\$25,000	\$59,140	2	\$15,000	\$44,140