

Community Development Authority Redevelopment Portfolio

Burr Oaks Senior Apartments



Property Information:

Developed in 2011

Owned by Burr Oaks Senior Housing, LLC (99.99% Wells Fargo, 0.01% CDA)

50 units with income and rent restrictions (Tax Credit, Section 8, and HOME)

Initial 15-Year Tax Credit Compliance Period ends 2027

Property Management: Horizon Management Services

Regulated by: LLC Operating agreement, Investor, WHEDA, City of Madison

Audited by: SVA

Financial Highlights:

- Operating Account cash balance \$189,900
- Restricted use cash balances adequately funded per Operating Agreement requirements:
 - Operating Reserve: \$250,727
 - Replacement Reserve: \$189,900
- Occupancy rate: 100%
- Rent collection rate: 98%
- Projected Year End Unfavorable Budget Variances 5% or greater: Utilities are projected to end the year 14% unfavorable to the budget due to a particularly cold spring and hot summer
- Asset Management Goals: Increase resident activities and connections to social services

Monona Shores Apartments



Property Information:

Redeveloped in 1999

Owned by the CDA

104 units with income and rent restrictions

3 units provide Rapid Rehousing through the Road Home of Dane County

Tax Credit extended use period to 2029

Property Management: Founders 3 Real Estate Services

Regulated by: Land Use Restriction Agreement, WHEDA, and Johnson Bank

Audited by: SVA

Financial Highlights:

- Operating Account cash balance: \$486,441
- Replacement Reserves: \$152,141
- Occupancy rate: 98%
- Rent collection rate: 74%
- Projected Year End Unfavorable Budget Variances 5% or greater: Utilities are projected to end the year 20% unfavorable to the budget due to a particularly cold spring and hot summer. Maintenance is projected to end the year 13% unfavorable to the budget due to the increase in the cost of maintenance supplies and services.
- Asset Management Goals: Improve rent collection through rental assistance, and invest in major capital projects in 2022

Revival Ridge Apartments



Property Information:

Developed in 2009
Owned by Allied Drive Redevelopment, LLC (99.99% National Equity Fund, 0.01% CDA)
49 units with income and rent restrictions (Tax Credit and Section 8)
Initial 15-Year Tax Credit Compliance Period ends 2024
Property Management: Lutheran Social Services
Regulated by: LLC Operating Agreement, Investor, WHEDA, Johnson Bank
Audited by: SVA

Financial Highlights:

- Operating Account cash balance: \$76,312
- Restricted use cash balances adequately funded per Operating Agreement requirements:
 - Operating Reserve \$329,696
 - Replacement Reserve \$37,978
- Occupancy rate: 98%
- Rent collection rate: 92%
- Projected Year End Unfavorable Budget Variances 5% or greater: Maintenance is projected to end the year 34% unfavorable to the budget due to the increase in the cost of maintenance supplies and services.
- Asset Management Goals: Prepare for the end of the initial 15 year tax credit compliance period in 2024 and major capital improvements needed at that time

Reservoir Apartments (CDA 95-1)



Property Information:

Built in 1987 and acquired by the CDA in 1995
Owned wholly by the CDA
28 units with income and rent restrictions (WHEDA affordable limits)
1 commercial space zoned for non-profit use
Property Management: Founders3 Real Estate Services
Regulated by: WHEDA Loan and Regulatory Agreement
Audited by: SVA

Financial Highlights:

- Operating Account cash balance: \$53,662
- Occupancy rate: 97%
- Rent collection rate: 79%
- Projected Year End Unfavorable Budget Variances 5% or greater: Maintenance is projected to end the year 11% unfavorable to the budget due to the increase in the cost of maintenance supplies and services.
- Asset Management Goals: Obtain zoning variance and rehab commercial space into two (2) affordable residential apartment units; explore energy grants/loans for replacing cedar siding, doors, and windows; modernize units as they become vacant; and improve rent collection through rental assistance funding

Village on Park

Program Description:

Purchased by the CDA in 2004. Roughly 159,000 gross square foot commercial center on South Park Street

- Substantially rehabilitated using general obligation borrowing from the City of Madison
- The north building is currently being demolished
- Property management services provided by Founders 3

Financial Highlights:

- Operating Account cash balance: \$1,180,342
- Occupancy rate: 98%
- Delinquent Rent: \$0
- Projected Year End Unfavorable Budget Variances 5% or greater: Revenue is projected to end the year 5% unfavorable to the budget as the closing date for the sale of the north site had to be moved from the original close negatively impacting the CAM Revenue
- Asset Management Goals: Continue redevelopment of the north side of property. Maintain high occupancy.

General Fund

Program Description:

The CDA General Fund provides financial structure for CDA redevelopment activities with 5 support functions:

- 1) General administrative activity
- 2) Revenue bond repayments
- 3) Maintenance of undeveloped real estate
- 4) Limited-duration redevelopment activities
- 5) Limited Liability Corporation (Section 42 Tax Credit) activities

Financial Highlights:

- Operating Account cash balance: \$528,464
- Allied Drive Home Sales have concluded with the exception of the 2 being sold to a Nonprofit
- Settlement from bond negotiations will be recognized in the 4th quarter
- Projected Year End Unfavorable Budget Variances 5% or greater: MRCDC Management Fees will not be recognized in 2022 as the City Attorney is refining the management agreement with the CDA

Community Development Authority Redevelopment Residential Properties
Budget Comparison Report
Period: January 2022 - September 2022

CDA Redevelopment Residential Properties												
Burr Oaks Senior Housing LLC												
						Monona Shores Apartments						
Total Units: 50			Occupancy: 100%			Total Units: 104			Occupancy: 98%			
	2021 Actuals	2022 YTD	2022 Projection	2022 Budget	PUPY	Projected Variance	2021 Actuals	2022 YTD	2022 Projection	2022 Budget	PUPY	Projected Variance
Revenues												
Rental Revenue - Residential	455,048	353,722	471,629	468,110	9,433	1%	1,296,421	981,583	1,308,777	1,313,739	12,584	0%
Rental Revenue - Commercial	-	-	-	-	-	0%	-	-	-	-	-	0%
Vacancy Loss	(1,370)	(1,915)	(2,553)	(9,361)	(51)	-73%	(24,927)	(9,645)	(12,860)	(15,402)	(124)	-17%
Concessions & Credits	-	-	-	-	-	0%	(58)	(1,159)	(1,545)	(1,800)	(15)	-14%
Interest	550	779	1,039	487	21	113%	78	1,015	1,353	13	0%	
Other Revenue	13,628	5,890	7,853	7,800	157	1%	25,155	11,983	15,977	23,040	154	-31%
Total Revenue	467,856	358,476	477,968	467,036	9,559	2%	1,296,669	983,777	1,311,703	1,319,577	12,613	-1%
Expenses												
Administration	91,857	73,358	97,811	107,472	1,956	-9%	188,062	141,324	188,432	197,719	1,812	-5%
Utilities	39,227	33,496	44,661	39,169	893	14%	90,243	73,552	98,069	81,460	943	20%
Maintenance	82,100	87,706	116,941	129,703	2,339	-10%	342,111	267,684	356,912	314,787	3,432	13%
Taxes/PILOT	56,514	45,887	55,764	55,764	-	0%	-	30,000	40,000	40,000	-	0%
Property Insurance	16,292	16,311	21,748	22,055	435	-1%	16,191	12,778	20,830	20,830	164	0%
Asset Management Fee	-	-	-	-	-	0%	16,704	13,226	14,448	14,448	170	0%
Other Expenses	-	-	-	-	-	0%	-	-	-	-	-	0%
Total Expenses	285,990	256,758	336,925	354,163	5,623	-5%	653,311	538,564	718,691	669,244	6,520	7%
NET OPERATING INCOME (NOI)	181,866	101,718	141,043	112,873			643,358	445,213	593,011	650,333		
Adjustments to NOI												
Capital Expenditures	-	-	-	-	-	-	272,065	103,263	78,900	78,900	-	
Replacement Reserve Deposits	19,165	14,786	19,715	19,002	-	-	-	-	-	91,000	-	
Replacement Reserve Withdrawals	-	-	-	-	-	-	-	-	-	-	-	
Depreciation	182,356	128,692	-	-	-	-	412,276	329,381	446,014	446,014	-	
Mortgage Note Principal	22,821	18,058	24,264	24,264	-	-	187,596.36	148,184	173,106	173,106	-	
Mortgage Note Interest	62,598	46,001	61,147	61,147	-	-	70,434	45,339	84,924	84,924	-	
Other Financial Activity	-	-	-	-	424	-	20,002	(3,954)	(5,272)	115,790	-	
Total Adjustments to NOI	286,940	207,537	105,126	104,837			962,373	622,213	777,672	989,734		
NOI AFTER FINANCIAL ADJUSTMENT:	(105,074)	(105,819)	35,917	8,036			(319,015)	(177,000)	(184,661)	(339,401)		
CASH BALANCES												
Operating Cash	233,150	188,376	-	-	-	-	465,828	486,441	-	-	-	
Restricted Operating Reserves	250,154	250,727	-	-	-	-	-	-	-	-	-	
Restricted Replacement Reserves	175,114	189,900	-	-	-	-	130,338	152,141	-	-	-	
Other Reserves	-	-	-	-	-	-	64,951	70,561	-	-	-	

Community Development Authority Redevelopment Residential Properties
Budget Comparison Report
Period: January 2022 - September 2022

CDA Redevelopment Residential Properties												
Revival Ridge Apartments							Reservoir Apartments (CDA 95-1)					
	Total Units: 49			Occupancy: 98%			Total Units: 29			Occupancy: 97%		
	2021 Actuals	2022 YTD	2022 Projection	2022 Budget	PUPY	Projected Variance	2021 Actuals	2022 YTD	2022 Projection	2022 Budget	PUPY	Projected Variance
Revenues												
Rental Revenue - Residential	676,861	512,996	683,995	687,667	13,959	-1%	318,641	233,004	310,672	326,385	10,356	-5%
Rental Revenue - Commercial	-	-	-	-	-	0%	-	-	-	-	-	0%
Vacancy Loss	(25,968)	(7,485)	(9,980)	(20,630)	(204)	-52%	608	(8,200)	(10,933)	(3,628)	(364)	201%
Concessions & Credits	(11,607)	(8,904)	(11,872)	(12,000)	(242)	-1%	-	-	-	-	-	0%
Interest	160	352	469	10	0%	-	-	98	131	-	4	0%
Other Revenue	515	3,375	4,500	3,500	92	29%	4,834	4,041	5,388	6,100	180	-12%
Total Revenue	639,961	500,334	667,112	658,537	13,615	1%	324,083	228,943	305,257	328,857	10,175	-7%
Expenses												
Administration	125,195	79,847	106,463	123,141	2,173	-14%	44,831	36,948	49,264	49,841	1,642	-1%
Utilities	41,488	39,406	52,541	50,862	1,072	3%	26,347	17,740	23,653	24,510	788	-3%
Maintenance	215,677	154,781	206,375	153,590	4,212	34%	84,791	75,966	101,288	91,577	3,376	11%
Taxes/PILOT	67,871	52,430	64,566	64,566	-	0%	10,000	7,500	10,000	10,000	333	0%
Property Insurance	15,147	11,466	15,288	14,435	312	6%	4,544	3,697	4,929	5,551	164	-11%
Asset Management Fee	6,844	5,287	7,078	7,078	-	0%	-	-	-	-	-	0%
Other Expenses	-	-	-	1,200	-	-100%	-	-	-	895	-	-100%
Total Expenses	472,222	343,217	452,311	414,872	7,769	9%	170,513	141,851	189,135	182,374	6,304	4%
NET OPERATING INCOME (NOI)	167,739	157,117	214,801	243,665			153,570	87,092	116,123	146,483		
Adjustments to NOI												
Capital Expenditures	-	-	-	-	-	-	55,541	91,222	-	-	98,000	-
Replacement Reserve Deposits	-	15,255	20,340	20,340	-	-	-	2,917	3,889	-	7,000	-
Replacement Reserve Withdrawals	-	-	-	-	-	-	-	-	-	-	50,000	-
Depreciation	362,596	268,852	343,380	343,380	-	-	55,945	41,493	55,324	55,324	54,000	-
Mortgage Note Principal	29,752	35,923	684,392	684,392	-	-	98,655	-	-	-	87,312	-
Mortgage Note Interest	99,702	73,325	99,702	99,702	-	-	4,128	567	756	756	8,472	-
Other Financial Activity	71,456	53,071	70,761	73,392	-	-	26,392	(276,728)	(276,728)	(276,728)	800	-
Total Adjustments to NOI	563,506	446,426	1,218,575	1,221,206			240,661	(140,529)	(216,759)	(216,759)	305,583	
NOI AFTER FINANCIAL ADJUSTMENTS	(395,767)	(289,309)	(1,003,774)	(977,541)			(87,092)	227,621	332,882	(159,100)		
CASH BALANCES												
Operating Cash	93,332	148,257	-	-	-	-	79,721	53,662	-	-	-	-
Restricted Operating Reserves	329,609	329,923	-	-	-	-	-	-	-	-	-	-
Restricted Replacement Reserves	27,493	43,228	-	-	-	-	174,770	-	-	-	-	-
Other Reserves	57,855	60,121	-	-	-	-	2,352	23,255	-	-	-	-

Community Development Authority Redevelopment Residential Properties
Budget Comparison Report
Period: January 2022 - September 2022

TOTALS						
	Total Units: 231		Occupancy:		99%	
	2021 Actuals	2022 YTD	2022 Projection	2022 Budget	PUPY	Projected Variance
Revenues						
Rental Revenue - Residential	2,746,971	2,081,305	2,775,073	2,795,901	12,013	1%
Rental Revenue - Commercial	-	-	-	-	-	0%
Vacancy Loss	(51,657)	(27,245)	(36,327)	(49,021)	(157)	26%
Concessions & Credits	(11,665)	(10,063)	(13,417)	(13,800)	(58)	3%
Interest	788	2,244	2,992	487	13	-514%
Other Revenue	44,132	25,289	33,719	40,440	146	17%
Total Revenue	2,728,569	2,071,530	2,762,040	2,774,007	11,957	25%
Expenses						
Administration	449,946	331,477	441,969	478,173	1,913	8%
Utilities	197,305	164,194	218,925	196,001	948	-12%
Maintenance	724,679	586,137	781,516	689,657	3,383	-13%
Taxes/PILOT	134,385	135,817	170,330	170,330	784	0%
Property Insurance	52,174	44,252	59,003	62,871	255	6%
Asset Management Fee	23,548	18,513	24,684	21,526	107	-15%
Other Expenses	-	-	-	2,095	-	-
Total Expenses	1,582,037	1,280,390	1,696,427	1,620,653	6,500	21%
NET OPERATING INCOME (NOI)	1,146,532	791,140	1,065,613	1,153,354		
Adjustments to NOI						
Capital Expenditures	327,606	194,485	259,313	176,900		
Replacement Reserve Deposits	19,165	32,958	43,944	137,342		
Replacement Reserve Withdrawals	-	-	-	50,000		
Depreciation	1,013,173	768,418	843,394	843,394		
Mortgage Note Principal	334,062	202,165	969,074	969,074		
Mortgage Note Interest	236,862	165,232	254,245	254,245		
Other Financial Activity	117,850	(227,611)	(303,481)	190,406		
Total Adjustments to NOI	2,048,718	1,135,646	2,066,488	2,621,361		
CASH FLOW - OPERATIONS	(902,185)	(344,506)	(1,000,876)	(1,468,007)		
CASH BALANCES						
Operating Cash	872,031	876,736				
Restricted Operating Reserves	579,763	580,650				
Restricted Replacement Reserves	507,715	385,269				
Other Reserves	125,158	153,937				

Community Development Authority Redevelopment Commercial Properties
Budget Comparison Report
Period: January 2022 - September 2022

CDA Redevelopment Commercial Properties						
Village on Park						
	Total Units: 25		Occupancy: 98%			
	2021 Actuals	2022 YTD	2022 Projection	2022 Budget	Average Price Per Property	Projected Variance
Revenues						
Rental Revenue - Commercial	1,737,816	1,236,742	1,648,989	1,738,415	49,470	-5%
Vacancy Loss	-	-	-	-	-	0%
Concessions & Credits	-	-	-	-	-	0%
Interest	51	37	84	84	1	0%
Other Revenue	9,241	812	1,083	720	32	50%
Total Revenue	1,747,108	1,237,591	1,650,156	1,739,219	49,503	-5%
Expenses						
Administration	85,280	63,849	85,132	85,053	2,554	0%
Utilities	97,605	66,233	90,000	110,878	2,649	-19%
Maintenance	325,397	253,650	338,200	369,510	10,146	-8%
Taxes/PILOT			70,000	70,000	-	0%
Property Insurance	28,637	27,672	31,500	31,500	1,107	0%
Asset Management Fee	-	-	-	-	-	0%
Other Expenses	-	-	-	-	-	0%
Total Expenses	536,919	411,404	614,832	666,941	16,456	-8%
NET OPERATING INCOME (NOI)	1,210,189	826,187	1,035,324	1,072,278	33,047	-3%
Adjustments to NOI						
Interest Expense	126,370	82,212	109,616	112,617	3,288	-3%
Mortgage Principal	-	-	636,722	636,722	-	0%
Advertising & Marketing	1,562	1,467	1,956	2,369	59	-17%
Space Planning	118		-	4,000	-	-100%
Legal Fees	-		-	1,600	-	-100%
Tenant Improvements	1,085		-	6,000	-	-100%
Other Professional Fees			-	3,000	-	-100%
Capital Expenditures	220,844	76,468	101,957	119,529	3,059	-15%
Reserve Fund Contribution	1,200	900	1,200	1,200	36	0%
Future Development (North Site Redevelopment)	109,876	270,153	360,204	5,854,950	10,806	-94%
TID Reimbursement	(81,575)	(101,247)	(134,996)	(5,854,950)	(4,050)	-98%
COVID-19 Expenses	37		-	600	-	-100%
Depreciation	659,227	-	-	-	-	0%
Loss on Refinancing	(12,426)	-	-	-	-	0%
Owner Transfers	24,000	45,000	60,000	60,000	1,800	0%
Total Adjustments to NOI	1,050,318	374,953	1,136,659	947,637	14,998	20%
NOI AFTER FINANCIAL ADJUSTMENTS	159,871	451,234	(101,335)	124,641		
CASH BALANCES						
Operating Cash	771,293	1,180,342				

Community Development Authority Redevelopment General Fund
Budget Comparison Report
Period: January 2022 - September 2022

Redevelopment General Fund					
	2021 Actuals	2022 YTD	2022 Projection	2022 Budget	Projected Variance
Revenues					
Tax Credit Asset Management Fees	13,759	-	-	32,400	-100%
Tax Credit Waterfall Income	9,515	9,792	9,792	-	0%
Insurance & PILOT Reimbursement	26	-	77,000	77,000	0%
Interest Income	96,527	46,808	62,410	73,566	-15%
State Street Pop Up Shops	27,650	51,600	68,800	35,000	97%
Sale of Assets (Mosaic Ridge)	2,043,534	1,068,191	1,068,191	2,100,000	-49%
Gain (Loss) on Sale of Assets	(2,394,658)	-	(737,052)	(1,450,000)	-49%
TID Pass-Thru Funds	76,076	15,014	15,014	-	0%
Reserve Usage	-	-	-	31,590	-100%
Owner Transfers		66,000	156,000	156,000	0%
MRCDC Management Fees	-	-	25,000	144,000	-83%
Total Revenue	(127,572)	1,257,404	745,155	1,199,556	-38%
Expenses					
Salaries	222,776	146,853	195,804	281,755	-31%
Salary Savings	-	-	-	(112,565)	-100%
Benefits	25,251	38,038	50,717	64,586	-21%
Supplies	1,121	20	27	1,500	-98%
Purchased Services	116,353	29,058	96,975	82,155	18%
Interest	63,438	(3,213)	(4,284)	65,919	-106%
Paying Agent Services (Revenue Bonds)	1,000	500	667	1,500	-56%
Transfer out to General Fund (PILOT Payments)	2	-	75,000	75,000	0%
Village on Park Debt Payment	-	-	-	771,550	-100%
Total Expenses	429,941	211,256	414,906	1,231,400	-66%
Net Operating Profit (Loss)	(557,512)	1,046,148	330,249	(31,844)	
CASH BALANCES					
Operating Cash		612,110	528,464		