

COMMUNITY DEVELOPMENT AUTHORITY
OF THE CITY OF MADISON, WISCONSIN

Resolution No. 4634 _____

Authorizing the CDA to extend an Allied Drive Redevelopment loan from Johnson Bank that matures on December 30, 2024 in the amount of \$617,301

Presented November 18, 2024
Referred _____
Reported Back _____
Adopted _____
Placed on File _____
Moved By _____
Seconded By _____
Yeas _____ Nays _____ Absent _____
Rules Suspended _____
Legistar File Number _____

RESOLUTION

WHEREAS, the Community Development Authority (CDA) borrowed \$795,700 for a term of 5 years with a 4.38% fixed interest rate from Johnson Bank as a refinance of a 2011 Fannie Mae line of credit to finance a portion of the Revival Ridge construction in 2017; and

WHEREAS, the maturity date of the Johnson Bank loan was extended on December 30, 2022 with an outstanding amount of \$655,714; and

WHEREAS, Johnson Bank has offered a continued favorable extension of the current outstanding balance, \$617,301 as a one-month Term SOFR +235 basis points, floating rate (6.96% as of 11/12/24) with no prepayment penalty for 12 months; and

WHEREAS, Johnson Bank's proposal is competitive with the current market and honoring of the previously agreed upon terms and conditions for \$500 processing fee without requiring an appraisal; and

WHEREAS, the dissolution of the Allied Drive Redevelopment LLC is expected to occur early in 2025; and

WHEREAS, staff recommend the extension of the Johnson Bank Loan, evidenced by a one-month term, 195 months amortization and floating interest SOFR +235 basis points, floating rate (6.96% as of 11/12/24) with no prepayment penalty.

NOW, THEREFORE, BE IT RESOLVED, the CDA hereby authorizes the Chair and the Secretary to take such actions and sign such documents as are necessary to close the Johnson Bank loan extension under the terms and conditions substantially the same as those set forth above, each action to be taken as may be acceptable to the Chair, together with the Secretary.