



Redevelopment Q2-2019 Financial Report Notes

Allied Fund

- Mosaic Ridge currently has one model home under construction. There are no buyers who anticipate beginning construction this year.
- As of August 8, the Allied Fund has \$956,956 in cash. Of the \$265,445 in anticipated model home construction costs, \$159,387 remains encumbered. To fund a debt payment structural imbalance beginning in 2031, \$192,000 is reserved.

Village on Park

- Year-to-Date operating revenues and expenses are on target to meet budget.
- There were limited capital fund expenses in the first two quarters and some capital projects may be delayed.
- At the end of June, the Village on Park had \$540,226 in cash. Significant expenses remain in 2019 including capital projects, payment in lieu of taxes, and debt service.
- Total debt service in 2019 is \$798,255, which is 47 percent of anticipated gross income.

General Fund

- As of August 5, the General Fund had a cash balance of \$666,299. The cash balance is projected to be \$644,299 at year end. The largest remaining operating expenses in 2019 are salaries and audit costs.
- The CDA General Fund is projected to end 2020 at -\$629,701 without additional spending reductions or resource reallocation.
- Significant new expenses in 2020 include the anticipated hire of a redevelopment specialist, reimbursement of time spent by City and Housing Authority employees on CDA redevelopment, retirement of lease revenue bonds, retirement of a legacy CDA 95-1 loan, and redevelopment of the Triangle.

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.