

COMMUNITY DEVELOPMENT AUTHORITY
OF THE CITY OF MADISON, WISCONSIN

Resolution No. 4391

Approving the execution of a Property Management Agreement between the Community Development Authority and Lutheran Social Services of Wisconsin and Upper Michigan, Inc. for services at Revival Ridge Apartments.

Presented June 11, 2020
Referred _____
Reported Back _____
Adopted _____
Placed on File _____
Moved By _____
Seconded By _____
Yeas _____ Nays _____ Absent _____
Rules Suspended _____
Legistar File Number _____

RESOLUTION

WHEREAS, Revival Ridge Apartments is owned by Allied Drive Redevelopment, LLC, and Allied Drive Redevelopment LLC consists of one Managing Member, the Community Development Authority (CDA) of the City of Madison and one Investor Member, National Equity Fund Assignment Corporation; and

WHEREAS, Revival Ridge Apartments consists of 49 multifamily housing apartment units, located at 2320 Revival Ridge, 2329 Allied Drive, and 4711 Jenewein Road, which are to be operated in compliance with the requirements of Section 42, Internal Revenue Code of 1986, as amended, in order to allow Allied Drive Redevelopment, LLC to claim low-income housing credits; and

WHEREAS, the current contract for property management services at Revival Ridge Apartments expires June 30, 2020; and

WHEREAS, CDA Staff conducted a competitive proposal procurement for property management services at Revival Ridge Apartments in accordance with the procurement policy of the CDA; and

WHEREAS, a review committee evaluated the submitted proposals for criteria factors including: proposed staff and firm, similar project experience, accounting services, low vacancy rate maintenance, and cost; and

WHEREAS, the proposal submitted by Lutheran Social Services of Wisconsin and Upper Michigan, Inc. was the lowest responsive and responsible proposal receiving the highest overall score; and

WHEREAS, National Equity Fund, Investor Member, and Johnson Bank, Lender, have provided the required approval for the CDA to enter into a contract with Lutheran Social Services for property management services at Revival Ridge Apartments; and

WHEREAS, the property management agreement provides the following:

Term: A term of three (3) years, commencing on July 1, 2020 and expiring on June 30, 2023; and

Fee: Monthly management fee equal to six percent (6.0%) of gross collected rental income from the development; and

Termination: With cause upon thirty (30) days notice, or without cause at any time during the term of the agreement upon sixty (60) days notice.

NOW, THEREFORE, BE IT RESOLVED, that the CDA authorizes the Executive Director to enter into an agreement with Lutheran Social Services of Wisconsin and Upper Michigan, Inc. to serve as property manager at Revival Ridge Apartments based on substantially similar terms described in the Property Management Agreement in Attachment A.

NOW, THEREFORE, BE IT FURTHER RESOLVED, that the Executive Director is authorized to execute, deliver, accept and record any and all documents and take such other actions as shall be necessary or desirable to accomplish the purpose of this resolution in a form approved by the City Attorney.