

COMMUNITY DEVELOPMENT AUTHORITY OF THE CITY OF MADISON

Resolution No. 4610

Amending the 2024 Adopted Capital Improvement Program to authorize up to \$1,000,000 of additional construction financing for Theresa Terrace redevelopment.

Presented May 9, 2024

Referred _____

Reported Back _____

Adopted _____

Placed on File _____

Moved By _____

Seconded By _____

Yeas _____ Nays _____ Absent _____

Rules Suspended _____

Legistar File Number _____

RESOLUTION

WHEREAS, the Madison Revitalization and Community Development Authority (the "MR CDC"), the nonprofit arm of the Community Development Authority ("CDA"), is the owner of two duplexes located at 1309-11 and 1401-03 Theresa Terrace in the City of Madison, Wisconsin (the "Properties"); and

WHEREAS, the MR CDC intends to replace the four existing units on the Properties with six townhouse-style homes that will be managed by MR CDC as affordable rental units (the "Project"); and

WHEREAS, on December 5, 2023 (File ID No. 80359) the Common Council of the City of Madison allocated up to \$2 million of City Affordable Housing Funds (AHF) to MR CDC for the Project; and

WHEREAS, the adopted 2024 Capital Budget for CDA Redevelopment includes up to \$2 million for Affordable Housing Redevelopment, Development, & Preservation, specifically including the Project; and

WHEREAS, the sole responsive and responsible bidder provided an all-inclusive cost of \$2,730,762 for the Project; and

WHEREAS, due to delays in federal approvals and cost inflation for new construction of "missing middle" housing in the Madison area, the existing budget authority is insufficient to complete the Project as originally contemplated, and the additional budget will allow MR CDC to begin construction in mid-2024.

NOW, THEREFORE, BE IT RESOLVED that the 2024 CDA Redevelopment Capital Improvement Program is hereby amended to authorize additional construction funding of up to \$1,000,000 for Theresa Terrace, inclusive of contingencies, which shall be added to the original budget authority of \$2,000,000 from funds previously authorized for the Project.

BE IT FURTHER RESOLVED that the Executive Director may seek a loan from the City of Madison to CDA through GO Borrowing for construction financing, which would be repaid through cash sweeps from MR CDC unit operations once the project stabilizes.

BE IT FURTHER RESOLVED that the Chair and Executive Director are 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.

BE IT FINALLY RESOLVED that this Capital Improvement Program amendment shall take effect pending approval of the Common Council.