



## CommunityDevelopmentAuthority

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**DATE:** January 10, 2012

**TO:** Community Development Subcommittee

**FROM:** Natalie Erdman, Executive Director  
Community Development Authority

**SUBJECT:** Community Development Subcommittee

### **Burr Oaks Senior Housing Update**

- There are five vacant apartments with one application pending.
- The residents and the neighborhood had their first tree lighting in December and it was considered a success.



### **Truax Park Redevelopment Phase I Update**

- All units were leased to qualified residents on or before December 20, 2011
- The CDA applied to WHEDA for an additional low income housing tax credits to cover cost overruns including but not limited to \$150,000 of costs associated with the plumbing

subcontract's inability to perform under its subcontract. WHEDA awarded Truax Park Redevelopment Phase I, LLC \$350,000 in additional credits.

- The investor member has indicated that they will purchase the additional credits for 70 cents per credit or \$245,000. We are waiting for a formal confirmation.
- The net implication of additional the costs and additional equity is an increase in the anticipated CDA development fee deferral of approximately \$20,000 to \$30,000. Development Fee payable is expected to be about \$240,000.

### **Truax Park Phase II**

- Development Teams were interviewed on December 15, 2011 for Truax Park Phase II joint venture development services.
- The interview panel agreed on the selection team of Dimension Development, LLC, Stone House Development, Inc., Knothe & Bruce Architects and McGann Construction, Inc. subject to refinements in the group's proposal. A non-binding letter of intent has been negotiated which addresses the general terms of the business relationship and the concerns of the interview panel. The non-bind letter of intent will be presented for approval.
- Preparation of a 9% low income housing tax credit application for submission to WHEDA on or before February 3, 2012 has begun.

### **Burr Oaks Phase 2 Update**

- No change since the last meeting

### **The Village on Park Update**

#### Financing

The \$7 Million NMTC Loan from Park Bank was repaid in December in accordance with its terms and the NMTC transaction was unwound with full satisfaction of the \$7 Million first mortgage loan and the \$2.54 Million second mortgage.

#### Leasing Activity

Jimmy Johns has a strong interest in leasing 2,000 s.f. of retail space. Sample layouts are being prepared and an estimate of "white box" finish is pending. A letter of intent is expected to follow.

John Berg had a first meeting with Habanaro's Mexican Grill and has scheduled a site visit to the Village on Park with the owners. They are interested in a second location.

Madison College has expressed an interest in renting additional space for the fall of 2012.