



City of Madison
Meeting Minutes - Draft
Community Development Authority
Community Development Subcommittee

City of Madison
Madison, WI 53703
www.cityofmadison.com

Tuesday, October 30, 2007

12:00 Noon

Lake Point Condominiums
Town Home Model Unit
1801 Conservation Place

1. CALL TO ORDER

Present: Bruer, O'Driscoll, and Thompson-Frater

Other CDA Members Present: Levitan and Shimanski

2. ROLL CALL

3. PUBLIC COMMENT

None

4. APPROVAL OF MINUTES – Meeting of July 25, 2007

A motion was made by Frater-Thompson, seconded by O'Driscoll, to approve the minutes. The motion passed by acclamation.

5. Walk-Through of the Town Home Model Unit at the Lake Point Condominiums

Ms. Gaurie Rodman led the walk-through of the unit. CDA members were quite impressed with the layout of the units as well as the overall site design.

6. NEW BUSINESS ITEMS

6a. Lake Point Condominiums Update

Ms. Gaurie Rodman reviewed the status report regarding the project (the status report is attached to these minutes). Mr. Jeff Rodman, Developer, and Ms. Julia Solocheck, Investor Partner, appeared to answer questions. By the end of November 2007, the developer intends to complete the work required to bring the remaining unsold units to a white box stage, with all drywall, finish carpentry and painting complete within the \$2.0 million CDA loan. The installation of final buyer finish selections, which are flooring, cabinets, countertops and appliances, will be done when an accepted offer is received. The estimated cost for this work is \$20,000 per unit for the new units and \$10,000 per unit for the conversion units.

The developer requests that the CDA extend the maturity date of the loan to December 31, 2008. It is anticipated that the CDA's loan may be paid in full if the following occurs:

- a. The sale of the 14 remaining new units (3 B-units and 11 A-units).
- b. The sale of the 20 existing (E-units).
- c. A combination of a. and b.

CDA members offered suggestions on how the marketing plan could be improved such as the development of an attractive brochure, exploring the possibility of a rate buy down, which would be advertised in the marketing materials. Also, it was suggested that the developer should consider installing mini blinds in all the remaining unsold units.

Percy Brown and Joe Stepnik presented the staff report, indicating that construction had progressed quite well during the past two months, all the CDA concerns had been satisfied and recommending an extension of the maturity date of the loan to December 31, 2008.

A motion was made by O'Driscoll, seconded by Thompson-Frater, to recommend the following amendments to the loan agreements:

1. Extend the maturity date of the loan to December 31, 2008.
2. The construction finish date shall be extended to December 31, 2007, and "substantially complete construction" shall be defined as bringing the remaining unsold units to a white box stage, with all drywall, finish carpentry and painting complete.
3. The final draw date shall be extended to December 15, 2007.
4. The definition of "net proceeds" in the Release Payment formula shall be amended to mean gross proceeds from the sale of a unit, less title insurance premium, tax proration amount, recording fees, real estate commission, and, for the remaining unsold units, build-out costs for the installation of flooring, cabinets, countertops and appliances in an amount not to exceed \$20,000 for the newly constructed units and \$10,000 for the conversion units.

Subject to the following conditions:

1. Review of financial information (proforma shall be submitted to O'Driscoll by November 1).
2. Submission of monthly financial status reports to the CDA.
3. Monthly compliance and review.
4. Refinement of marketing plan for 2008.

The motion passed by acclamation.

7. ADJOURNMENT

A motion was made by Thompson-Frater, seconded by O'Driscoll, to adjourn. The motion passed by acclamation. The meeting adjourned at 12:25 p.m.