



Community Development Authority

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DATE: December 3, 2012

TO: Community Development Subcommittee

FROM: Natalie Erdman, Executive Director
Community Development Authority

SUBJECT: Community Development Subcommittee

The Village on Park Update Leasing

- Chuck Lane is uncomfortable with the transaction outlined in the letter of intent. A revised proposal has been outlined and is being negotiated. The premises would be 3,770 s.f. but would have more “back house” space and the tenant improvement allowance would be reduced. The revised layout would leave 1,250 s.f. of retail for another tenant.

Construction Activity

- Paving and stripping of the new parking on the south east corner of The Village on Park are complete.
- Interior demolition and coordination with Yue Wah’s equipment supplier are underway.
- Removal of the exterior canopy and wing wall is scheduled for early December and demolition.
- Report from the environmental consultant was received in mid November. The spray on fire proofing on the underside of the roof deck contains asbestos. The asbestos containing material (ACM) has contaminated the upper side of the drop ceiling. Asbestos dust might also be in the walls. The consultant has recommended the following:
 - Notify affected tenants
 - Put in place an operations and maintenance program
 - Post notice of the ACM
 - Provide special training for maintenance and janitorial staff
 - Test air regularly until the ACM is remediated
 - Remediate both the drop ceiling and the roof deck prior to any additional work to the space
- Staff and the management company are implementing the first five recommendations above and will be working on a plan to abate the asbestos next year. The roofing company has demobilized.

Sale to Access Community Health

- We are waiting for full pricing and a schedule from MG&E to move the power lines are required by the Purchase and Sale Agreement. The requirement to move the power lines will most likely delay closing.
- Access Community Health has presented its plans to the Urban Design Commission (UDC) on Nov 28th. UDC referred the approval.

Burr Oaks Senior Housing

Financing

- Closed the permanent loan and received the final equity installment allowing repayment of the construction loan, funding of operating and replacement reserves and payment the remaining CDA development in fee in the amount of \$220,000.

Truax Park Redevelopment

Phase I Update

- Working on final equity funding. Expect the funding will occur allowing the repayment of the construction loan, funding of operating and replacement reserves, and funding of CDA development fee prior to the end of the year.

Phase II

- Phase II will be discussed at the subcommittee meeting.

Lake Point Condominiums

- Two offers to purchase are pending. Additional FNMA restrictions on condominium financing have caused problems with both purchasers financing. Both purchasers are working with us as we try to resolve the financing issues.
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