



Community Development Authority Redevelopment Portfolio

Burr Oaks Senior Apartments



Property Information:

Developed in 2011
Owned by Burr Oaks Senior Housing, LLC (99.99% Wells Fargo, 0.01% CDA)
50 units with income and rent restrictions (Tax Credit, Section 8, and HOME)
Initial 15-Year Tax Credit Compliance Period ends 2027
Property Management: Horizon Management Services
Regulated by: LLC Operating agreement, Investor, WHEDA, City of Madison
Audited by: SVA

Financial Highlights:

- Operating Account cash balance \$170,729
- Restricted use cash balances adequately funded per Operating Agreement requirements:
 - Operating Reserve: \$250,367
 - Replacement Reserve: \$184,063
- Occupancy rate: 100%
- Rent collection rate: 100%
- Current projections show the property ending the year with a \$31,003 operating budget surplus
- Asset Management Goals: Increase resident activities and connections to social services

Monona Shores Apartments



Property Information:

Redeveloped in 1999
Owned by the CDA
104 units with income and rent restrictions
3 units provide Rapid Rehousing through the Road Home of Dane County
Tax Credit extended use period to 2029
Property Management: Founders 3 Real Estate Services
Regulated by: Land Use Restriction Agreement, WHEDA, and Johnson Bank
Audited by: SVA

Financial Highlights:

- Operating Account cash balance: \$449,232
- Replacement Reserves: \$143,373
- Occupancy rate: 98%
- Rent collection rate: 76%
- Projected negative Net Income variance of \$108,413, due to maintenance expense. The projection is expected to level as many large maintenance projects are occurring during the warmer season, such as HVAC and grounds work
- Asset Management Goals: Improve rent collection through rental assistance, and invest in major capital projects in 2022

Revival Ridge Apartments



Property Information:

Developed in 2009

Owned by Allied Drive Redevelopment, LLC (99.99% National Equity Fund, 0.01% CDA)

49 units with income and rent restrictions (Tax Credit and Section 8)

Initial 15-Year Tax Credit Compliance Period ends 2024

Property Management: Lutheran Social Services

Regulated by: LLC Operating Agreement, Investor, WHEDA, Johnson Bank

Audited by: SVA

Financial Highlights:

- Operating Account cash balance: \$76,312
- Restricted use cash balances adequately funded per Operating Agreement requirements:
 - Operating Reserve \$329,696
 - Replacement Reserve \$37,978
- Occupancy rate: 98%
- Rent collection rate: 97%
- Current projections show the property ending the year with a \$38,457 budget deficit due to higher than anticipated projected maintenance costs. The projection is starting to level in the 2nd quarter, as maintenance expenses were higher at the start of the year
- Asset Management Goals: Prepare for the end of the initial 15 year tax credit compliance period in 2024 and major capital improvements needed at that time

Reservoir Apartments (CDA 95-1)



Property Information:

Built in 1987 and acquired by the CDA in 1995

Owned wholly by the CDA

28 units with income and rent restrictions (WHEDA affordable limits)

1 commercial space zoned for non-profit use

Property Management: Founders3 Real Estate Services

Regulated by: WHEDA Loan and Regulatory Agreement

Audited by: SVA

Financial Highlights:

- Operating Account cash balance: \$51,905
 - Continues to rebuild after WHEDA interest payments and higher than usual unit turns
- Replacement Reserves were used in the 2nd Quarter to pay the WHEDA loan which reached maturity on 6/01/2022
 - Remaining Property Debt is \$85,000 with payment due at time of sale or refinance
- Two-flat at 601 S. Baldwin was sold to non-profit on 1/13/2022. Proceeds from sale were used to eliminate \$371,000 City loan
- Occupancy rate: 90%
- Rent collection rate: 75%
- Current projections show the property ending the year with a \$30,321 budget deficit due to higher than expected unit turns with rehab
- Asset Management Goals: Obtain zoning variance and rehab commercial space into two (2) affordable residential apartment units; explore energy grants/loans for replacing cedar siding, doors, and windows; modernize units as they become vacant; and improve rent collection through rental assistance funding

Village on Park

Program Description:

Purchased by the CDA in 2004. Roughly 159,000 gross square foot commercial center on South Park Street

- Substantially rehabilitated using general obligation borrowing from the City of Madison
- The north building is currently being demolished
- Property management services provided by Founders 3

Financial Highlights:

- Current unrestricted cash balances:
 - Operating Account \$1,029,456
- Revenues as of 6.30.22 are \$45,451 unfavorable to the budget
- Expenses as of 6.30.22 are \$36,887 favorable to the budget
- Occupancy based off square footage is currently at 95% in comparison to 2021's 94%
 - This is due to the North Building's current vacancy which will remain throughout the redevelopment of the north side of the property
 - All tenants as of 6.30.22 are current
- At current the property has a \$86,796 cash flow
- North Building Demolition and site redevelopment YTD expenses are \$143,262
 - The property is reimbursed for the approved redevelopment costs from the TID

Allied Fund

Program Description:

Allied Fund is comprised of the Mosaic Ridge Project

- Mosaic Ridge is an entrepreneurial endeavor to construct single family homes in the Allied Drive neighborhood
- Homes are sold with down payment assistance packages that vary based on income
- Homes are constructed by Bluestone Custom Housing

Financial Highlights:

- Revenues projected to end year at \$80,155 favorable to the budget, however this is very variable due to the sale of homes ending
- Expenses projected to end year \$17,101 favorable to the budget due to homes selling early in the year

General Fund

Program Description:

The CDA General Fund provides financial structure for CDA redevelopment activities with 5 support functions:

- 1) General administrative activity
- 2) Revenue bond repayments
- 3) Maintenance of undeveloped real estate
- 4) Limited-duration redevelopment activities
- 5) Limited Liability Corporation (Section 42 Tax Credit) activities

Financial Highlights:

- General Revenues are currently projecting about \$112,794 unfavorable to the budget primarily due to:
 - Yet to be realized MRCDC management fees
- Expenses are projecting \$64,690 favorable to the budget primarily due to:
 - Savings in Salaries & Benefits
- Overall the General Fund is projecting to end the year \$749,392 favorable to the budget due to a debt service payment that was budgeted for Village on Park, however, due to Village on Park's financials being managed by Founders 3 this payment appears to be unneeded in the General Fund budget

Community Development Authority Redevelopment Residential Properties
Budget Comparison Report
Period: January 2022 - June 2022

CDA Redevelopment Residential Properties										
	Burr Oaks Senior Housing LLC					Monona Shores Apartments				
	Total Units: 50		Occupancy: 100%			Total Units: 104		Occupancy: 98%		
	2021 Actuals	2022 YTD	2022 Projection	2022 Budget	PUPY	2021 Actuals	2022 YTD	2022 Projection	2022 Budget	PUPY
Revenues										
Rental Revenue - Residential	455,048	235,561	471,122	468,110	9,422	1,296,421	653,368	1,306,736	1,313,739	12,565
Rental Revenue - Commercial	-	-	-	-	-	-	-	-	-	-
Vacancy Loss	(1,370)	(1,135)	(2,270)	(9,361)	(45)	(24,927)	(5,967)	(11,934)	(15,402)	(115)
Concessions & Credits	-	-	-	-	-	(58)	(484)	(968)	(1,800)	(9)
Interest	550	296	592	487	12	78	53	106		1
Other Revenue	13,628	3,741	7,482	7,800	150	25,155	838	1,676	23,040	16
Total Revenue	467,856	238,463	476,926	467,036	9,539	1,296,669	647,808	1,295,616	1,319,577	12,458
Expenses										
Administration	91,857	51,416	102,832	107,472	2,057	188,062	94,847	189,694	197,719	1,824
Utilities	39,227	22,723	45,446	39,169	909	90,243	44,151	88,302	81,460	849
Maintenance	82,100	52,422	104,844	129,703	2,097	342,111	200,073	400,146	314,787	3,848
Taxes/PILOT	56,514	29,150	58,300	55,764		-	20,000	40,000	40,000	
Property Insurance	16,292	10,814	21,628	22,055	433	16,191	8,309	20,830	20,830	160
Asset Management Fee	-	-	-	-	-	16,704	-	14,448	14,448	-
Other Expenses	-	-	-	-	-	-	138	276		3
Total Expenses	285,990	166,525	333,050	354,163	5,495	653,311	367,518	753,696	669,244	6,683
NET OPERATING INCOME (NOI)	181,866	71,938	143,876	112,873		643,358	280,290	541,920	650,333	
Adjustments to NOI										
Capital Expenditures	-	-		-		272,065	52,045	78,900	78,900	
Replacement Reserve Deposits	19,165	9,849	19,698	19,002			-	-	91,000	
Replacement Reserve Withdrawals	-	-	-	-		-	-	-	-	
Depreciation	182,356	85,795	-	-		412,276	219,587	446,014	446,014	
Mortgage Note Principal	22,821	11,946	24,264	24,264		187,596.36	100,517	173,106	173,106	
Mortgage Note Interest	62,598	30,761	61,147	61,147		70,434	28,498	84,924	84,924	
Other Financial Activity	-	-	-	424		20,002	11,810	23,620	115,790	
Total Adjustments to NOI	286,940	138,351	105,109	104,837		962,373	412,457	806,564	989,734	
NOI AFTER FINANCIAL ADJUSTMENTS	(105,074)	(66,413)	38,767	8,036		(319,015)	(132,167)	(264,644)	(339,401)	
RESERVES										
Operating Cash	233,150	170,729				465,828	449,232			
Restricted Operating Reserves	250,154	250,367				-	-			
Restricted Replacement Reserves	175,114	184,063				130,338	143,373			
Other Reserves	-	-				64,951	69,909			

Community Development Authority Redevelopment Residential Properties
Budget Comparison Report
Period: January 2022 - June 2022

CDA Redevelopment Residential Properties										
	Revival Ridge Apartments					Reservoir Apartments (CDA 95-1)				
	Total Units: 49		Occupancy: 98%			Total Units: 29		Occupancy: 90%		
	2021 Actuals	2022 YTD	2022 Projection	2022 Budget	PUPY	2021 Actuals	2022 YTD	2022 Projection	2022 Budget	PUPY
Revenues										
Rental Revenue - Residential	676,861	345,728	691,456	687,667	14,111	318,641	155,904	311,808	326,385	10,394
Rental Revenue - Commercial	-		-	-	-	-		-	-	-
Vacancy Loss	(25,968)	(10,314)	(20,628)	(20,630)	(421)	608	(2,628)	(5,256)	(3,628)	(175)
Concessions & Credits	(11,607)	(5,930)	(11,860)	(12,000)	(242)	-		-		-
Interest	160	98	196		4	-		-		-
Other Revenue	515	1,856	3,712	3,500	76	4,834	1,765	3,530	6,100	118
Total Revenue	639,961	331,438	662,876	658,537	13,528	324,083	155,041	310,082	328,857	10,336
Expenses										
Administration	125,195	55,684	111,368	123,141	2,273	44,831	27,119	54,238	49,841	1,808
Utilities	41,488	26,755	53,510	50,862	1,092	26,347	11,625	23,250	24,510	775
Maintenance	215,677	103,895	207,790	153,590	4,241	84,791	50,030	100,060	91,577	3,335
Taxes/PILOT	67,871	34,953	64,566	64,566		10,000	5,000	10,000	10,000	333
Property Insurance	15,147	6,678	13,356	14,435	273	4,544	3,132	6,264	5,551	209
Asset Management Fee	6,844	3,524	7,078	7,078		-		-		-
Other Expenses	-	-	-	1,200	-	-	54	108	895	4
Total Expenses	472,222	231,489	457,668	414,872	7,878	170,513	96,960	193,920	182,374	6,464
NET OPERATING INCOME (NOI)	167,739	99,949	205,208	243,665		153,570	58,081	116,162	146,483	
Adjustments to NOI										
Capital Expenditures	-					55,541	64,563		98,000	
Replacement Reserve Deposits		10,170	20,340	20,340		-	2,917	5,833	7,000	
Replacement Reserve Withdrawals			-			-	177,781	355,562	50,000	
Depreciation	362,596	178,731	343,380	343,380		55,945	27,662	55,324	54,000	
Mortgage Note Principal	29,752	24,908	49,816	684,392		98,655	177,781	355,562	87,312	
Mortgage Note Interest	99,702	49,025	99,702	99,702		4,128	567	1,134	8,472	
Other Financial Activity	71,456	35,083	70,166	73,392		26,392	(277,395)	(277,395)	800	
Total Adjustments to NOI	563,506	297,917	583,404	1,221,206		240,661	173,876	496,020	305,583	
NOI AFTER FINANCIAL ADJUSTMENTS	(395,767)	(197,968)	(378,196)	(977,541)		(87,092)	(115,795)	(379,858)	(159,100)	
RESERVES										
Operating Cash	93,332	76,312				79,721	51,905			
Restricted Operating Reserves	329,609	329,696				-	-			
Restricted Replacement Reserves	27,493	37,978				174,770	-			
Other Reserves	53,928	42,626				2,352	23,253			

Community Development Authority Redevelopment Residential Properties
Budget Comparison Report
Period: January 2022 - June 2022

	TOTALS					
	Total Units: 234			Occupancy:		99%
	2021 Actuals	2022 YTD	2022 Projection	2022 Budget	PUPY	Projected Variance
Revenues						
Rental Revenue - Residential	2,746,971	1,390,561	2,781,122	2,795,901	11,936	1%
Rental Revenue - Commercial	-	-	-	-	-	0%
Vacancy Loss	(51,657)	(20,044)	(40,088)	(49,021)	(172)	18%
Concessions & Credits	(11,665)	(6,414)	(12,828)	(13,800)	(55)	7%
Interest	788	447	894	487	4	-84%
Other Revenue	44,132	8,200	16,400	40,440	70	59%
Total Revenue	2,728,569	1,372,750	2,745,500	2,774,007	11,783	51%
Expenses						
Administration	449,946	229,066	458,132	478,173	1,966	4%
Utilities	197,305	105,254	210,508	196,001	903	-7%
Maintenance	724,679	406,420	812,840	689,657	3,489	-18%
Taxes/PILOT	134,385	89,103	170,330	170,330	765	0%
Property Insurance	52,174	28,933	57,866	62,871	248	8%
Asset Management Fee	23,548	3,524	7,048	21,526	30	67%
Other Expenses	-	192	384	2,095	2	
Total Expenses	1,582,037	862,492	1,717,108	1,620,653	6,608	47%
NET OPERATING INCOME (NOI)	1,146,532	510,258	1,028,392	1,153,354		56%
Adjustments to NOI						
Capital Expenditures	327,606	116,608	233,216	176,900		
Replacement Reserve Deposits	19,165	22,936	45,871	137,342		
Replacement Reserve Withdrawals	-	177,781	355,562	50,000		
Depreciation	1,013,173	511,775	843,394	843,394		
Mortgage Note Principal	327,950	315,152	969,074	969,074		
Mortgage Note Interest	236,862	108,851	254,245	254,245		
Other Financial Activity	117,850	(230,502)	(461,004)	190,406		
Total Adjustments to NOI	2,042,606	1,022,601	2,240,358	2,621,361		
CASH FLOW - OPERATIONS	(896,073)	(512,343)	(1,211,966)	(1,468,007)		
RESERVES						
Operating Cash	872,031	748,178				
Restricted Operating Reserves	579,763	580,063				
Restricted Replacement Reserves	507,715	365,414				
Other Reserves	121,231	135,788				