



CommunityDevelopmentAuthority

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TO: **Community Development Subcommittee**

FROM: Natalie Erdman, Executive Director
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SUBJECT: 2012 Capital and Operating Budgets

2012 Capital Budget

- The 2012 Capital Budget submitted by the Mayor's Office and reviewed by the Board of Estimates has three items that relate to the work of the CDA. The CDA's capital budget request are carried under the budget for Planning and Community and Economic Development. Final approval of the Capital Budget is expected to occur in mid November of 2011.
- \$340,000 for additional site acquisitions for the second phase of Burr Oaks Senior Housing has been included in the budget.
- \$1,040,000 for the development of Phase II at Truax Park has been included in the capital budget
- \$1,350,000 for The Village on Park has been included in the capital budget. The funding is for the relocation of Yue Wah Grocery, demolition of the southern end of the building and construction of site improvements on the southern end of the site.

2012 Operating Budget

- The Mayor's proposed 2012 Operating Budget was released the week of October 3, 2011. The Board of Estimates will discuss the Executives proposed budget with staff on October 10th and 11th. Public hearings on the proposed budget are scheduled before the Common Council on October 18th and November 1, 2011
- Items to Note in the Operating Budget
 - The CDA Redevelopment Budget is a breakeven budget with revenues covering expenses for 2012. There is no need for a contribution from the City of Madison levy.
 - The operating budget includes an additional person to handle housing strategy/planning for the City of Madison. The position responsibilities would include but not be limited coordination of a City housing policy, development and implementation of housing related initiatives, and

research/ understanding of national programs that assist communities with housing initiatives.

- The budget assumes development fee revenue of approximately \$480,000 from Burr Oaks Senior Housing and Truax Park Redevelopment Phase I.
- The City of Madison's borrowing of \$8.6 Million in 2010 for The Village on Park is being amortized by the City over 10 years. The CDA is repaying the City on a 20 year amortization. The budget has been set up to reflect that arrangement, but minimize its impact on City reserve requirements.