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Community Development Authority

Inter - Departmental Correspondence

DATE: December 11, 2025

TO: CDA Board of Commissioners

FROM: Alfredo Arteaga, Finance and Grants Manager

SUBJECT: 2026 CDA Budget Highlights

Attached you will find CDA Budget documents for Fiscal Year 2026. Budget highlights are as follows:

CDA Housing Operations 2026 Budget

The 2026 CDA Housing Operations Executive Budget totals approximately \$41.53 million in both revenues and expenditures, supporting the CDA's Public Housing and Section 8 Housing Choice Voucher programs. The Housing Voucher program represents \$28.53 million (68.7%) of total expenditures and is largely funded by federal revenues from the U.S. Department of Housing and Urban Development (HUD), while Public Housing accounts for \$13.00 million (31.3%). Key 2026 drivers include increased federal Section 8 funding (net neutral \$8.2 million), the first full year of the Resident Opportunities and Self-Sufficiency (ROSS) grant (\$53,300), HUD-approved rent increases at Parkside and Karabis, higher subsidy income at Truax Phases 1 and 2. Expenditures are primarily driven by Section 8 Housing Assistance Payments, utilities, maintenance, and personnel, with a total staffing level of 56.5 FTEs maintained for 2026. Overall, the 2026 budget reflects stable operations with targeted increases tied to federal funding, rent adjustments, and property-level support.

CDA Redevelopment 2026 Budget

The 2026 CDA Redevelopment Executive Budget reflects total revenues and expenditures of approximately \$7.19 million, aligning with projected redevelopment activity and long-term financial obligations. Key drivers include significant charges for services totaling \$5.16 million, largely from anticipated developer fees and reimbursements related to the Park Badger redevelopment, along with increased interest earnings. Expenditures are primarily concentrated in debt service and financing costs (\$4.87 million), followed by purchased services (\$1.63 million) and personnel costs (\$664 thousand combined salaries and benefits). The budget also reflects the financial impacts of the dissolution of Allied Drive, LLC, including reduced asset sales and debt activity, while maintaining stable staffing levels at 2.0 FTE. Overall, the 2026 budget positions CDA Redevelopment to support active projects while maintaining fiscal sustainability.

CDA Redevelopment Property Budget

Please refer to the attached 2026 Redevelopment Property Budget Summary for a detailed breakdown of individual property operations, capital needs, and projected financial performance across the CDA Redevelopment portfolio.