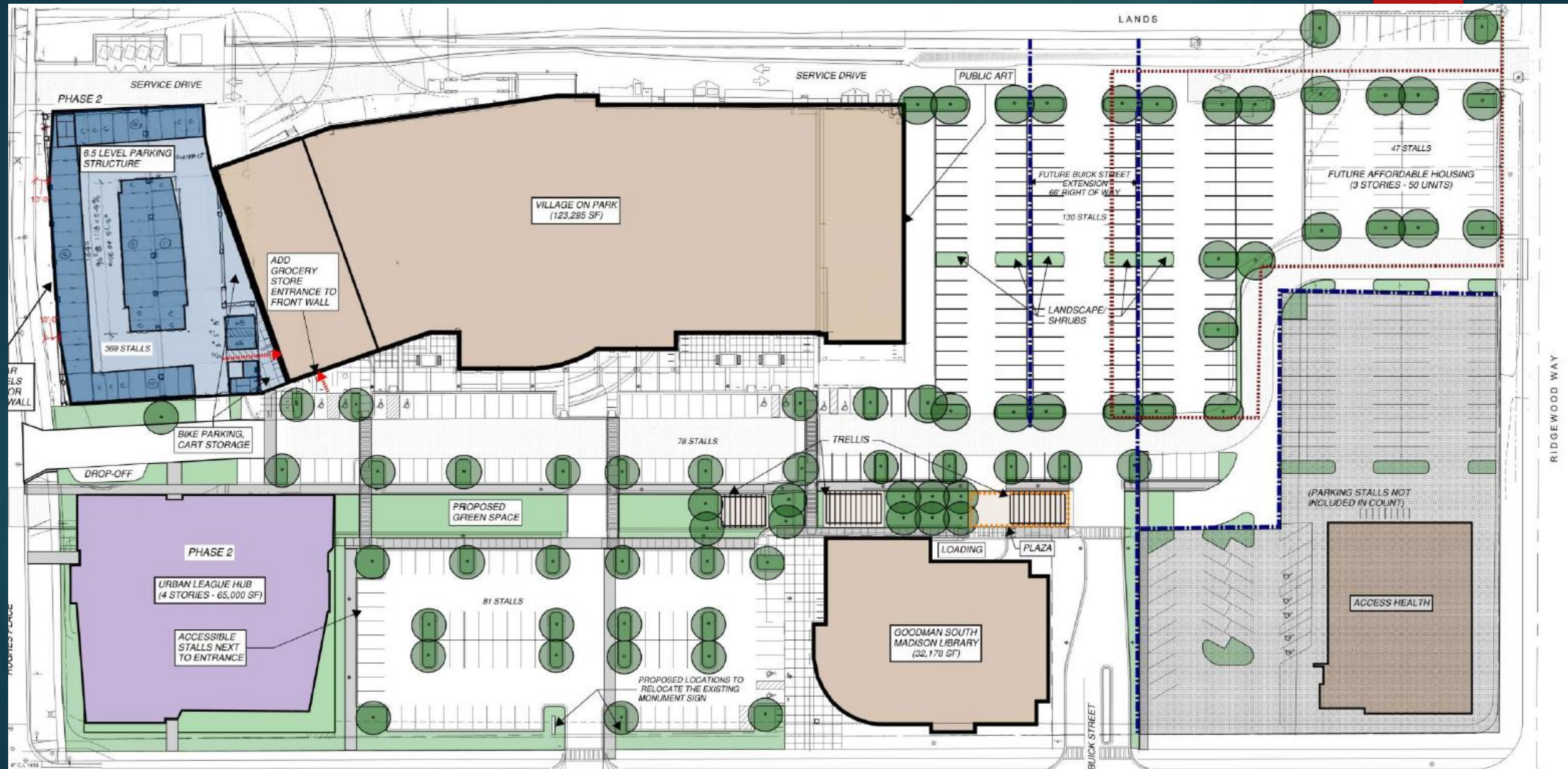




# Urban League HUB

NOVEMBER 2021 UPDATE



# General Terms

- ▶ Sale Price \$1
- ▶ Up to \$20,000 from CDA to reimburse environmental contamination
- ▶ CDA will lease ULGM & Hub Tenants stalls from a newly built parking structure
- ▶ Common Area costs will be updated and allocated to HUB, VOP, and other neighbors
- ▶ ULGM and CDA will cooperate on a variety of stormwater, drive aisle and other infrastructure issues
- ▶ Contingent on ULGM HUB Proof of Funding and Land Use Approvals

# Outstanding Issues

- ▶ Number of parking stalls allocated to the Hub
- ▶ Details of Operating Easement

# HUB Capital Stack

- ▶ **\$23.3 Million Total Development Cost**
- ▶ \$9.3 Million Debt (max)
- ▶ \$7.5 Million New Market Tax Credits
- ▶ \$2 Million Dane County
- ▶ \$1.8 Million Fundraising
- ▶ \$5 Million State Neighborhood Investment Fund (pending)

# Timeline

- ▶ December 9 – CDA Approval of Purchase and Sale Agreement
- ▶ ~December - NIF funding announcement
- ▶ ~December 27 – Building Permit Signoff
- ▶ ~December 27+ - Real Estate Closing (contingent on NIF & Permit)
- ▶ March 2022 - Financial Closing
- ▶ February 2023 – HUB Substantial Completion
- ▶ December 31, 2024 – HUB fully occupied

# 2 Step Closing

## ▶ Step 1 – Real Estate

- ▶ Real estate close to occur within 10 (ten) days of receipt of ARPA award letter as a condition to closing
- ▶ ULGM would be permitted to immediately begin site work and footings/foundations only
- ▶ CDA would have a right to repurchase the property for \$1 if a closing on all financing for the project does not occur by 3/31/22
- ▶ ULGM must establish a \$500,000 cash escrow to be used by ULGM to restore the site to its prior condition (e.g. surface parking lot) if ULGM fails to meet the 3/31/22 NMTC closing deadline
- ▶ If CDA exercises its repurchase right:
  - ▶ ULGM must restore the site using the escrowed funds, or other funds as may be necessary.
  - ▶ ULGM must follow all public bidding laws when performing site restoration
  - ▶ ULGM must complete site restoration work within 90 days
  - ▶ ULGM must convey title to CDA upon completion of the restoration work

# 2 Step Closing

## ▶ Step 2 – Financing

- ▶ New Market Tax Credit/Loan/County/NIF Closing
- ▶ CDA's repurchase right and the escrow/restoration agreement will terminate upon a successful NMTC closing
- ▶ CDA and ULGM will enter an operating covenant to ensure operation of the HUB as a Black-owned Business Hub including a right of first refusal for the CDA

## Completed

- TIF Project Plan
- 2021 Budget Amendment
- 2022 Budget
- Site Plan, Stormwater, Parking Study, CSM
- Design Hub

## Q4 2021

- Negotiate Transaction

## Q1 2022

- Sell Land
- Financial Closing
- Hub Construction
- Design Parking Structure
- Parking Structure Land Use Approvals

## Q2 2022 –2023

- Demo North Building
- Parking Structure Land Use Approvals
- Construct Parking
- Complete and Open Hub

## 2023-2025

- Develop Housing