

COMMUNITY DEVELOPMENT AUTHORITY
OF THE CITY OF MADISON, WISCONSIN

Resolution No. 4526

Authorizing the release of the Right of First
Refusal and Land Use Restriction
Agreement with Monticello Apartments, LLP

Presented November 10, 2022
Referred _____
Reported Back _____
Adopted _____
Placed on File _____
Moved By _____
Seconded By _____
Yeas _____ Nays _____ Absent _____
Rules Suspended _____
Legistar File Number 74568

RESOLUTION

WHEREAS, the Community Development Authority (CDA) entered into a Project Contract and Land Use Restriction Agreement (LURA) with the Monticello Apartments, LLP (the "Developer") related to the property located at 5015 Sheboygan Ave, Madison, WI 53705 (the "Property") ; and

WHEREAS, the Project Contract and LURA are a part of the financing requirements of a bond transactions where the CDA issued to debt to support development of the Property (the "Bonds"); and

WHEREAS, the Project Contract contained a Right of First Refusal (ROFR), in favor of the CDA to give the CDA the first right purchase the Property if the Developer intended to sell the Property; and

WHEREAS, the Developer is currently planning to sell the Property to a third party buyer for market value and has requested that the CDA release its rights under the ROFR; and

WHEREAS, the ROFR and LURA will expire upon the repayment of the Bonds which will occur no later than the first quarter of 2023, but the Developer has opted to pay the Bonds off in November 2022, which will also cause the termination of the ROFR and LURA; and

WHEREAS, the CDA desires to permit the sale to move forward; and

WHEREAS, the Developer has agreed to pay the CDA the amount of One Million Two Hundred Thousand Dollars (\$1,200,000) to be used for the public purpose of funding the public housing stock in the City of Madison.

NOW THEREFORE BE IT RESOLVED, that the Community Development Authority hereby authorizes the termination of all rights and interests in the Bonds, including the Right of First Refusal and Land Use Restriction Agreement.

BE IT FURTHER RESOLVED, that the Community Development Authority hereby accepts the payment by or on behalf of Monticello Apartments, LLP of One Million Two Hundred Thousand Dollars.

BE IT FINALLY RESOLVED, that the Community Development Authority hereby authorizes its Chair and Executive Secretary to execute and record any and all documents necessary to carrying out the purposes of this resolution in a form approved by the City Attorney.