

COMMUNITY DEVELOPMENT AUTHORITY OF THE CITY OF MADISON, WISCONSIN

Resolution No. 4077

Authorizing the Chair and Secretary to execute all documents necessary to facilitate the redemption of the 2000 CDA Redevelopment Lease Revenue Refunding Bonds for the Block 89 project and the conveyance of the second phase of the Block 89 parking ramp from the City and CDA to Block 89 Parking Limited Partnership.

Presented	April 10, 2014
Referred	
Reported Back	
Adopted	April 10, 2014
Placed on File	
Moved By	Daniel Guerra, Jr.
Seconded By	Lauren Lofton
Yeas	5
Nays	0
Absent	0
Rules Suspended	

Preamble

In 2000, the Community Development Authority (CDA) issued Redevelopment Lease Revenue Refunding Bonds in the principal amount of \$6,800,000 (the "Bonds") to partially refinance the second phase of the Block 89 redevelopment project. As a part of that refinancing, the CDA acquired ownership of 164 subterranean parking stalls in the Block 89 parking facility and leased the stalls to the City, which then subleased the stalls to Block 89 Parking Limited Partnership ("Developer"). Under the lease between the City and Developer, Developer operates and manages the stalls, and retains all parking revenue from the facility. Rent under the lease is equal to the amount of debt service on the Bonds. Pursuant to the 2000 development agreement, the City has been providing Developer with payments of tax increment from TID 25 as a credit towards debt service payments on the Bonds. The CDA executed a mortgage in the amount of the Bonds to the Bond Trustee as additional security.

The Bonds, which mature in 2020, may be redeemed in full on or after July 1, 2014. Developer desires to redeem the Bonds in full on July 1, 2014, and the City and Developer have negotiated a TIF credit amount which the City shall pay to the Bond Trustee to be used, along with Developer's contribution, for the redemption of the outstanding Bonds. Developer has provided the CDA with its notice exercising the option to purchase the 164 parking stalls from the City and the CDA, contingent upon the amendment of the 2000 Option Agreement to allow for an earlier acquisition of the stalls by Developer. The purchase price shall be paid to the City over a ten year period.

Now therefore, be it resolved, that the Chair and Secretary are hereby authorized to execute an amendment to the 2000 Option Agreement to allow for Developer's 2014 acquisition of the second phase of the Block 89 parking facility, and to execute any other documents deemed necessary to effectuate the redemption of the Bonds and Developer's acquisition of the facility, all in a form app.