

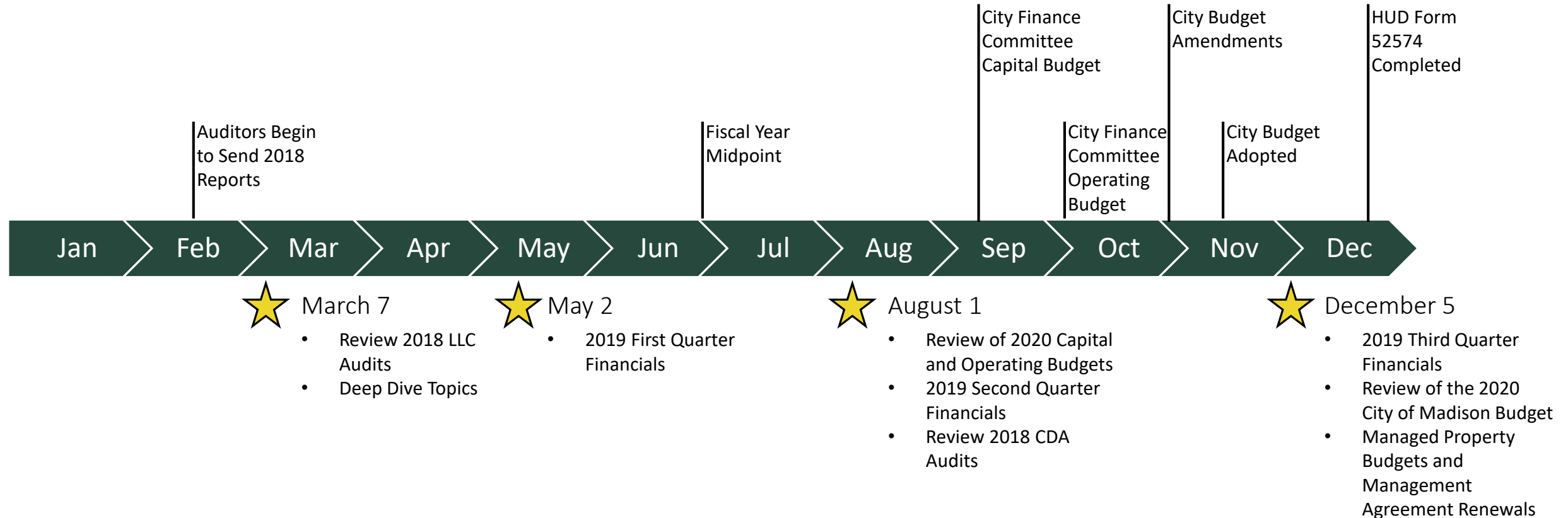
CDA Finance Subcommittee

NOVEMBER 1, 2018

Responsibilities

- Consist of three members who are appointed for one year (Bylaws IV.1.a and IV.2)
- Make recommendations to the Authority Board (Bylaws IV.1)
- Exercise delegated powers from the Authority (Bylaws IV.1.a)
- Shall meet quarterly (Bylaws IV.1.a)
- Shall review the annual audit, operating budget, and capital budget (Bylaws IV.1.a)

2019 Suggested Meeting Timeline



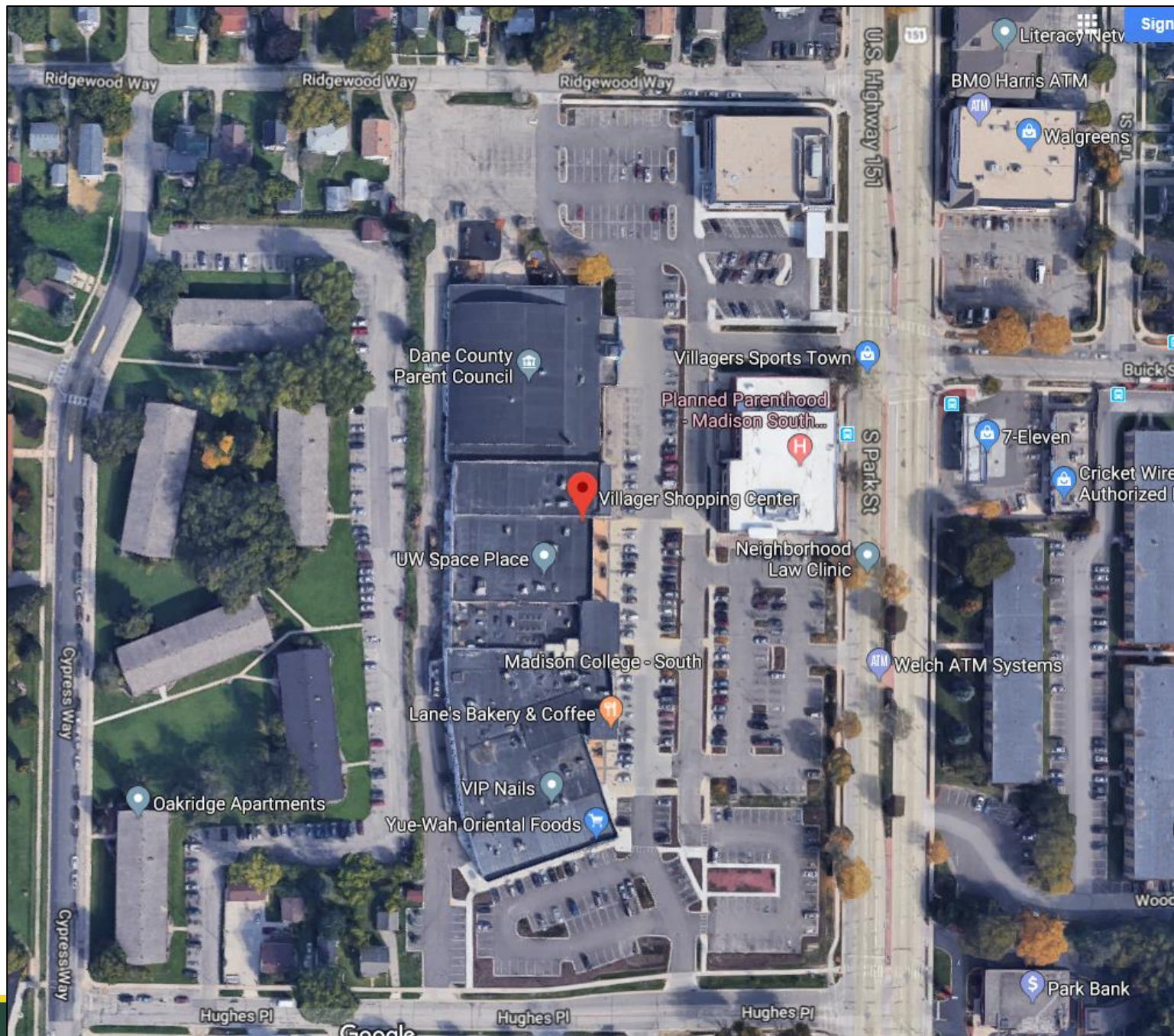
Village on Park Discussion

Purpose

Come to a shared understanding of the property's financials in preparation for the Board retreat on November 8. The property's history and purpose will be discussed in detail at the retreat.

Agenda

1. FY18 year-to-date performance and FY19 preliminary budget
2. Projected end-of-year cash balance
3. Debt service schedule
4. Anticipated tenant changes (Madison College, Headstart)
5. Anticipated capital expenses



1. FY18 year-to-date performance and FY19 preliminary budget

Key Points

- \$750,000 in 2018 borrowing has not yet been added to the Village on Park
- The PILOT payment of \$70,000 has not been made to the City.
- There is an additional \$17,000 in unbudgeted revenue anticipated in 2019
- Expect to End 2018
 - Net Income after Debt Service and Capital Expenditures of approximately \$150,000
- Expected Performance in 2019
 - Net Operating Income before Debt Service, Capital, and Depreciation of \$986,000
 - Debt Service of \$798,255

2. Projected end-of-year cash balance

Key Points

- Including the management company account, the property will have approximately \$360,000 cash at the end of 2018
- The capital budget is \$232,000 in 2019 with no additional borrowing

3. Debt service schedule

Key Points

- At the end of 2018, the debt balance will be \$6,912,432
- In 2019, the debt service payment is \$798,255
- All debt will be retired at the end of 2031

4. Anticipated tenant changes

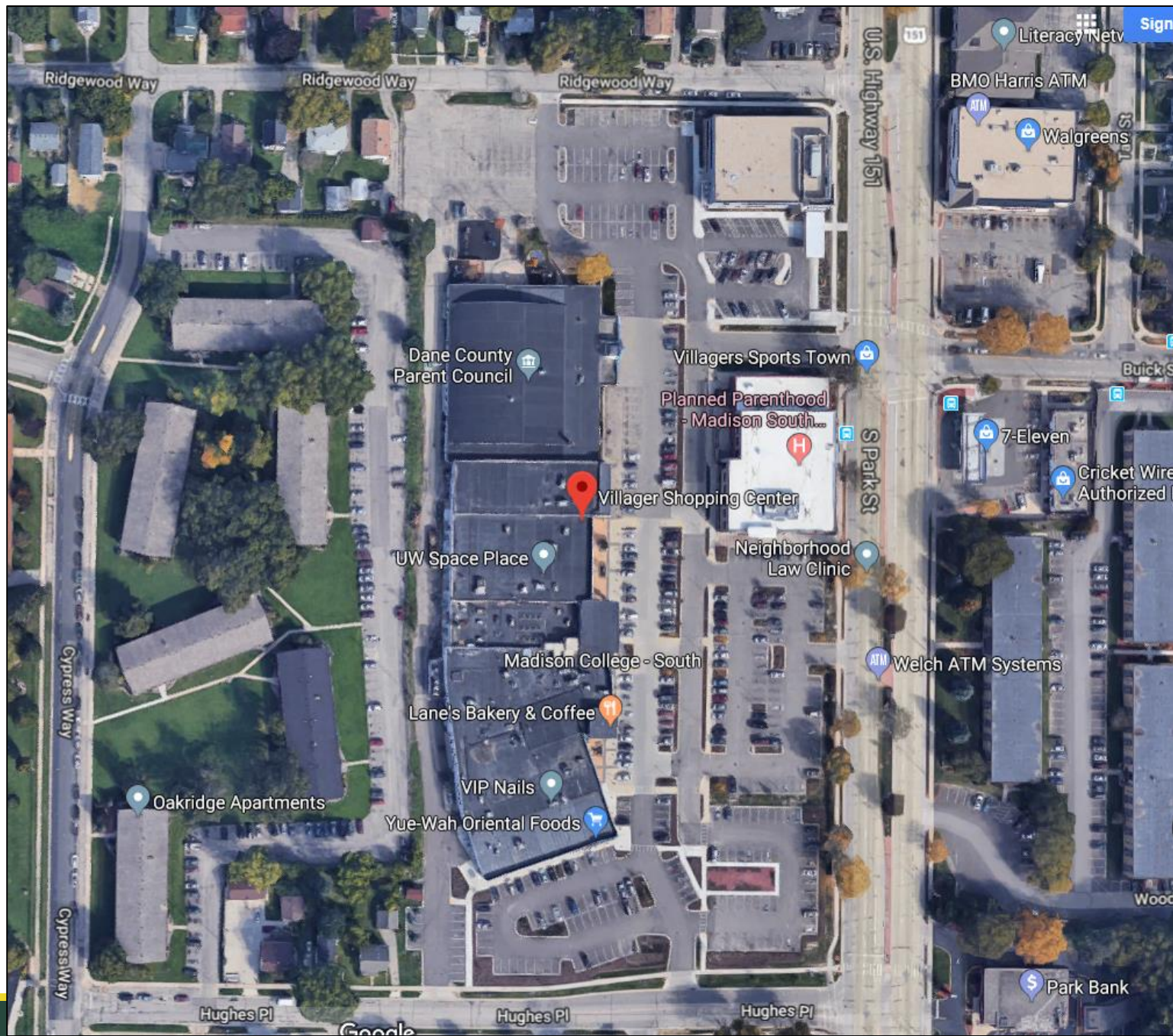
Key Points

- **Madison College** will vacate in December of 2019
 - Pay approximately \$213,000 (\$17.34 psf) per year in rent
 - Unknown time to release and required tenant improvements
- 2019 Projections include \$22,000 of revenue from **Public Health's temporary lease** in the North Building
- **Head Start**
 - Pay approximately \$137,000 (\$11.28 psf) per year in rent
 - Utilities for the north building including gas, electric and water sewer equal approximately \$65,000 per year

The Village on Park-Renewal Schedule

2300 South Park Street Madison, WI 53703

Lease	Area-Square Feet	Area % of Total Leased	Cumulative % Expiring	Lease Expiration Date	Option Terms	Comments
2018 Expiration						
Mineco, Inc.	300	0.4%	0.4%	10/01/2018	one-8 mo extension left	Has not heard back on its federal funding yet. Wants to continue MTM until it is notified.
2019 Expiration						
Dane County Perent (Head Start)	12,171	11.7%	12.1%	09/30/2019	None	No movement on development of a new location.
Uncle Joe's	4,050	3.9%	16.0%	01/01/2019		Resolution being submitted to extend the lease for five years.
Madison Area Technical College	12,357	11.8%	27.8%	12/31/2019		
State of WI, Dept. of Admin	9,100	8.8%	36.6%	06/01/2019	2-1 yr; 90 day notice	
City of Madison - IT Training	1,360	1.3%	37.9%	05/31/2019	None	Held Fischer has been representing this agency. Will talk to her about securing a five year lease with City IT
Public Health - Madison and Dane County North Building	3,964	3.5%	41.4%	09/14/2019		Temporary space while work is being done at CCS.
South Metropolitan Planning Council	300	0.4%	41.8%	04/15/2019	2-1 yr; 150 day notice	
Board of Regents of the Univ of WI System	3,015	2.9%	44.7%	10/31/2019	Continuous 1 yr options; 180 days not.	
2021 Expiration						
WI Women's Business Initiative	2,852	2.7%	47.4%	10/31/2021	None	ROFO after 7.1.19 portion of Madison College space
City of Madison - CAP	885	0.9%	48.3%	02/28/2021	None	Would like to move to an office with natural light.
Public Health - Dane County	3,475	3.3%	51.6%	12/31/2021	2-5 year; 9 month notice	
Public Health - Dane County	11,317	10.9%	62.5%	09/30/2021	2-5 year; 9 month notice	
Liquid Glam LLC	2,000	1.9%	64.4%	05/31/2021	5-3 year; 6 month notice	
2023 Expiration						
Wisconsin Science Museum, Inc.	1,905	1.8%	66.3%	09/31/2023	2-3 year; 9 month notice	RFS-former Clerk storage space, and right to lease during first two years of term on lower level space.
Yue Wah Oriental Foods	6,497	6.3%	72.5%	09/31/2023	2-5 year; 6 month notice	Tenant has informed City staff that it does not want to exercise any of its lease extension options.
2024 Expiration						
Lane's Bakery & Coffee, Inc.	800	0.8%	73.1%	06/30/2024	2-5 year; 9 month notice	
Lane's Bakery	4,075	4.7%	77.8%	09/30/2024	2-5 year; 9 month notice	
Dane County Human Services	23,065	22.2%	100.0%	04/30/2024	1-5 year; 90 day notice	*Just sent notice that they are exercising the first option. Need to paper.
TOTAL OCCUPIED AREA	105,342	100%				



5. Anticipated capital expenses

2019 Capital Projects

Roof Section 3A	\$169,304
Trash Corrals	\$34,000
Dock Cinder Blocks	\$1,350
Ronek Concrete Parking (Tentative)	\$12,204
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Total	\$216,858

	2019	2020	2021	2022	2023
South Building					
Roof Section 3A	169,304				
Trash Corrals	34,000				
Dock Cinder Blocks	1,350				
Ronek Concrete Parking (Tentative)	12,204				
Roof Section 2A		113,059			
Madison College HVAC Units		30,000			
Freight Elevator Replacement		37,302			
Total	216,858	180,361	-	-	-
North Building					
Boilers (2 - Both Need Replacing)		14,832			16,207
Water Heater/Softner		3,811			
Heat Pump		8,034	8,275	8,523	8,779
Cooling Tower		33,000			
Total	-	59,677	8,275	8,523	24,986
Total - Both Buildings	216,858	240,038	8,275	8,523	24,986

Legend	
	2012
	2014
	2015
	2016
	2017
	2018

