

COMMUNITY DEVELOPMENT AUTHORITY  
OF THE CITY OF MADISON, WISCONSIN

Resolution No. 4459 \_\_\_\_\_

Authorizing the CDA to approve the Monona  
Shores Loan Renewal.

Presented September 9, 2021  
Referred \_\_\_\_\_  
Reported Back \_\_\_\_\_  
Adopted \_\_\_\_\_  
Placed on File \_\_\_\_\_  
Moved By \_\_\_\_\_  
Seconded By \_\_\_\_\_  
Yeas \_\_\_\_\_ Nays \_\_\_\_\_ Absent \_\_\_\_\_  
Rules Suspended \_\_\_\_\_  
Legistar File Number \_\_\_\_\_

RESOLUTION

WHEREAS, the Community Development Authority (CDA) borrowed \$3,000,000 from Johnson Bank as a mortgage to finance the Monona Shores property in 2016; and

WHEREAS, the maturity of the previously mentioned mortgage occurs on August 26, 2021 with an outstanding amount of \$2,198,945; and

WHEREAS, CDA staff have reviewed the 2019 budget, which is based on past budgets and operating expenses, and capital projects for the development and have determine the property can comfortably afford its current operating & capital expenses for the next 5 years; and

WHEREAS, Johnson Bank has offer a favorable renewal of the loan with an additional term of 5 years, 25-year amortization and interest rates LIBOR + 225 basis points, fixed at closing (Index floor of 1.00%) and the current fixed rate at 3.25%; and

WHEREAS, Johnson Bank's proposal is competitive with the current market and honoring of the previously agreed upon terms and conditions for \$1,000 processing fee without requiring an appraisal; and

WHEREAS, staff recommend renewal of the Johnson Bank Loan, evidenced by a five-year note, 25-year amortization and interest rate equal to LIBOR + 225 basis points, fixed at closing (Index floor of 1.00%).

NOW, THEREFORE, BE IT RESOLVED, the CDA hereby authorizes the Chair and the Secretary to execute a five-year extension of the Johnson Bank Loan.