



Legislation Text

File #: 53007, **Version:** 1

Fiscal Note

The proposed resolution authorizes the Community Development Authority (CDA) to appropriate \$137,777 of CDA replacement reserve funds for capital improvements and repairs at Truax Park Redevelopment Phase 1. The CDA has funded the Truax Park Redevelopment Phase 1 replacement reserve account, of which the current balance is \$137,777, and the CDA will continue to fund this account from project operating funds in accordance with the Amended and Restated Operating Agreement. CDA reserve funds can be used for minor repairs and major renovations (e.g., roof and boiler replacements). Expenses of this type are charged to Purchased Services in CDA's operating budget and then reimbursed from replacement reserve funds. No additional City appropriation is required.

Title

Amending the 2018 Adopted Operating Budget to appropriated \$137,777 of CDA Replacement Reserve funds for capital improvements and repairs at Truax Park Redevelopment Phase 1.

Body

WHEREAS, Truax Park Redevelopment Phase 1 is a mixed finance property redeveloped in 2011 with 71 units, including 47 units of low-income public housing and 24 Section 8 Project Based Vouchers. This property is owned by Truax Park Redevelopment, Phase 1, LLC and managed by the Community Development Authority of the City of Madison ("CDA"); and

WHEREAS, the CDA is the Managing Member in the Amended and Restated Operating Agreement of Truax Park Redevelopment, Phase I, LLC dated October 28, 2010; and

WHEREAS, the Amended and Restated Operating Agreement states the Managing Member shall establish a replacement reserve to fund capital improvements and repairs to the project, annually, in the amount of \$300 per unit per year to be increased annually by 3%; and

WHEREAS, the CDA has funded the Truax Park Redevelopment Phase 1 replacement reserve account of which the current balance is \$137,777 and the CDA will continue to fund this account from project operating funds in accordance with the Amended and Restated Operating Agreement;

NOW, THEREFORE BE IT RESOLVED that the 2018 Adopted Operating Budget is amended to appropriate \$137,777 of Community Development Authority Replacement Reserve funds for capital improvements and repairs at Truax Park Redevelopment Phase 1; and

BE IT FURTHER RESOLVED that the CDA is hereby authorized to expend replacement reserves funds at Truax Park Redevelopment Phase 1 for capital improvements and repairs in accordance with the Amended and Restated Operating Agreement.