



## Legislation Text

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**File #:** 53003, **Version:** 1

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### **Fiscal Note**

The proposed resolution authorizes the Community Development Authority (CDA) to appropriate \$319,624 of CDA reserve funds for capital improvements at Parkside Apartments. The reserve balance of \$319,624 was returned to the CDA by the Wisconsin Housing and Economic Development Authority (WHEDA) and WHEDA has approved the use of these reserve funds for necessary capital improvements at the Parkside Apartments property through 2020. 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 reserve funds. No additional City appropriation is required.

### **Title**

Amending the 2018 Adopted Operating Budget to appropriate \$319,624.40 of CDA reserve funds for capital improvements at Parkside Apartments.

### **Body**

WHEREAS, the Community Development Authority of the City of Madison ("CDA") is the owner of Parkside Apartments, which is 94 units of Multifamily Housing located at 245 S Park Street; and

WHEREAS, on March 31, 2018 the CDA made the final payment on the mortgage note in the original principal amount of \$3,085,241 and dated August 12, 1977 to the Wisconsin Housing and Economic Development Authority ("WHEDA"); and

WHEREAS, during the term of the mortgage the CDA funded the replacement reserve, residual receipts, and tax escrow accounts which totaled \$465,000.02 on March 31, 2018; and

WHEREAS, on March 31, 2018 the CDA made the final mortgage payment in the amount of \$145,375.62 from the balance of the WHEDA held reserves, leaving a reserves balance of \$319,624.40; and

WHEREAS, WHEDA returned the reserves balance of \$319,624.40 to the CDA on April 5, 2018; and

WHEREAS, the CDA submitted a three-year capital budget to WHEDA in December 2017 and was approved by WHEDA to use reserve funds for necessary capital improvements at the property through 2020;

NOW, THEREFORE BE IT RESOLVED that the 2018 Adopted Operating Budget is amended to appropriate \$319,624.40 of Community Development Authority reserve funds for capital improvements at Parkside Apartments located at 245 S Park Street.