



Legislation Text

File #: 65046, **Version:** 1

The proposed resolution amends the 2021 Adopted Capital Budget for CDA Redevelopment by authorizing an additional \$1.5 million in project funding for the Mosaic Ridge Construction Financing capital project. The additional \$1.5 million will bring the total 2021 authorized budget for the project to \$2.1 million. This project is entirely funded by the sale of new homes or lots in Mosaic Ridge through CDA Redevelopment.

Amending the 2021 Adopted Capital Budget to authorize up to \$1,500,000 in additional funding for new home construction at Mosaic Ridge by the Community Development Authority.

WHEREAS, The Community Development Authority of the City of Madison (the "CDA") is undertaking the development of single-family homes at Mosaic Ridge; and

WHEREAS, the 2021 Capital Budget for CDA Redevelopment approves the use of up to \$600,000 for construction of homes at Mosaic Ridge, with the goal of completing three new home or building lot sales; and

WHEREAS, the construction funds authorized annually for Mosaic Ridge are typically revolved upon each home or lot sale to finance future transactions consistent with a historic sales rate of approximately two to three homes per year; and

WHEREAS, market demand for new home construction at Mosaic Ridge in early 2021 has greatly exceeded this historic sales rate, as evidenced by the number of accepted offers to purchase and related construction contracts approved by the CDA Executive Director; and

WHEREAS, the existing 2021 budget authority for Mosaic Ridge is insufficient to accommodate the necessary pace of construction and transaction closings currently scheduled through the end of 2021.

NOW, THEREFORE, BE IT RESOLVED that the CDA Redevelopment's 2021 Adopted Capital Budget is hereby amended to appropriate \$1,500,000 of additional construction funding for the Mosaic Ridge Construction Financing capital project, which shall be funded by applied reserves and added to any remaining budget authority from funds previously authorized for the current fiscal year.