2023 RES-410

AUTHORIZING THE ASSIGNMENT OF THE GROUND AND CONDOMINIUM LEASES AT 715 RETHKE AVENUE TO CINNAIRE SOLUTIONS CORPORATION OR A WHOLLY-OWNED SUBSIDIARY THEREOF

In 2014, the City of Madison led an effort to develop an affordable housing project dedicated to housing families in need of permanent supportive housing. The project is located at 715 Rethke Avenue in the City of Madison.

Dane County contributed to the cost of the project by buying the land the building was constructed on and purchasing a commercial condominium unit within the building. The land and condominium were then leased back to the project owner for a nominal amount with the agreement that the property would be used for affordable housing.

For various reasons, the project struggled to the point where the entity that owned and managed the building dissolved and the building was placed in receivership. The court has granted the Receiver permission to market the project to affordable housing developers so that it can be repositioned and continue as an affordable housing project.

Two affordable housing developments, the Rethke Terrace Apartments and Tree Lane Apartments, are in the process of being sold to Cinnaire Corporation. This is the culmination of an unprecedented legal and legislative process that, once concluded, will prevent the two properties from falling into further disrepair and preserve affordable housing for its current and future tenants. Cinnaire Corporation is a non-profit affordable housing developer that has built projects for more than 30 years in communities across the United States and in Wisconsin. Cinnaire staffs a local office in Madison, WI.

Upon assignment, the terms and conditions of the leases remain unchanged and in full force and effect. The lease shall not be assigned to Cinnaire Corporation if their purchase of the property is not finalized.

NOW, THEREFORE, BE IT RESOLVED that the Dane County Executive and the Dane County Clerk are authorized to execute on behalf of Dane County a Lease Assignment and Approval of Lease Assignment approving the assignment of the Rethke Avenue Condominium and Ground Leases and other associated documents related to the assignment, as set forth above.