



Legislation Text

File #: 71256, **Version:** 1

Fiscal Note

The proposed resolution authorizes the execution of an amended and restated Operating Easement at the Village on Park for the Goodman South Madison Library. The Library is responsible to pay its pro rata share of the common area maintenance (CAM) costs for the Village on Park, which is wholly owned and operated by the Community Development Authority of the City of Madison (CDA).

The Easement changes the methodology to allocate the CAM costs, revises the payment for CAM costs from a single annual payment to a monthly payment and adds other reasonable costs (security, PILOT taxes, and stormwater/urban forestry) to the CAM charges.

The CAM costs in 2021 were \$3,627. The 2022 costs are estimated to be \$11,800. The Library 2022 adopted operating budget does not include funding for Goodman South Library CAM costs. The Library is anticipating a credit for the Pinney Library CAM charges of approximately \$20,000. This credit will offset the unanticipated Goodman South Madison CAM charges.

The costs for 2023 - 2025 are estimated at \$17,500 - \$26,700.

Title

Authorizing the Execution of an Amended and Restated Operating Easement at the Village on Park for the Goodman South Madison Library. (14th AD)

Body

WHEREAS, the Goodman South Madison Library condo unit (the "Library") is subject to the South Madison Community Condominium Declaration, which was recorded on March 5, 2010 as Document No. 4639192 with the Dane County Register of Deeds (the "Declaration");

WHEREAS, the Declaration is subject to the Operation and Easement Agreement dated March 26, 2009 and amended on March 8, 2013, recorded as Document Numbers 4525865 and 4968445, respectively with the Dane County Register of Deeds (collectively the "Operating Easement");

WHEREAS, per the Operating Easement, the Library is responsible to pay its pro rata share of the common area maintenance costs (the "CAM Charges") for the Common Areas located on the Village on Park, 2300 S. Park Street, which is wholly owned and operated by the Community Development Authority of the City of Madison (the "CDA");

WHEREAS, the CDA has sold a portion of the Village on Park land (the "Hub Lot") to the Urban League of Greater Madison, Inc. ("ULGM") to construct an approximately 76,000 gross square foot multi-tenant building (the "Hub Building") on its property;

WHEREAS, as part of the sale of the Hub Lot, the CDA agreed to build a parking structure (the "Parking Structure"), subject to financing contingencies, to support the overall redevelopment;

WHEREAS, the Parking Structure will become part of the Common Areas to serve the Hub Building, the South Madison Community Condominium, and the Village on Park (collectively the "Owners"), and as a result

requires changes to the Operating Easement (the “Amended and Restated OE”);

WHEREAS, the a number of changes need to be included in the Amended and Restated OE such a: (i) revising the Owner’s Proportionate Share used to allocate the CAM Charges, as defined in the Operating Easement, based on the total gross square footage of all the Owner’s buildings that share in the Common Areas; (ii) revising the payment of the estimated Owner’s Proportionate Share of the CAM Charges billed to the Owners on a monthly basis over the calendar year versus the following year based on actual figures; (iii) adding the Parking Structure, and other reasonable costs related to the Common Area land as permissible costs in the CAM Charges (the “Amended Terms”);

NOW, THEREFORE, BE IT RESOLVED that the City’s Common Council hereby adopts the foregoing recitals, and approves changes to the Operating Easement consistent with the Amended Terms.

BE IT FURTHER RESOLVED that the City’s Common Council hereby authorizes the Mayor and City Clerk to execute and deliver the Amended and Restated OE and take any further action required to accomplish the purpose of this Resolution in a form approved by the City Attorney.