



City of Madison

City of Madison
Madison, WI 53703
www.cityofmadison.com

Master

File Number: 09421

File ID: 09421

File Type: Resolution

Status: Items Referred

Version: 1

Reference:

Controlling Body: BOARD OF ESTIMATES

File Created Date : 03/03/2008

File Name: Bassett Neigh TIF Loan 541 W Doty St

Final Action:

Title: Authorizing the Mayor and City Clerk to execute a loan agreement to fund a \$60,000 Bassett Neighborhood Small Cap TIF Loan to Nicholas Moore and Heidi Lindroth ("Borrower") to purchase and renovate the property located at 541 West Doty Street to convert it from a rental to owner-occupied housing.

Notes: INTRO FROM FLOOR

Sponsors: Michael E. Verveer

Enactment Date:

Attachments:

Enactment Number:

Author: Percy Brown, Economic Revitalization Supervisor, Economi

Hearing Date:

Entered by: nprusaitis@cityofmadison.com

Published Date:

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Community and Economic Development Unit	03/03/2008	Referred for Introduction				
	Action Text: This Resolution was Referred for Introduction						
	Notes: Refer to Board of Estimates						
1	COMMON COUNCIL	03/04/2008	Refer	BOARD OF ESTIMATES			
	Action Text: This Resolution was Refer to the BOARD OF ESTIMATES						
	Notes:						
1	BOARD OF ESTIMATES	03/10/2008					
	Notes:						

Text of Legislative File 09421

Fiscal Note

\$400,000 is authorized in each of the 2007 and 2008 PCED Adopted Capital budgets for the TID 28 Small Cap Loan program, Project No. 12, "TID 28 - Bassett Neighborhood," Account No. 822801. If approved, this will be the first loan issued under the program. Loan disbursements under this program must be completed prior to Dec. 31, 2008.

Title

Authorizing the Mayor and City Clerk to execute a loan agreement to fund a \$60,000 Bassett Neighborhood

Small Cap TIF Loan to Nicholas Moore and Heidi Lindroth ("Borrower") to purchase and renovate the property located at 541 West Doty Street to convert it from a rental to owner-occupied housing.

Body

WHEREAS on September 19, 2000, the Common Council adopted Resolution No. 56,644 creating a boundary and Project Plan for Tax Incremental District (TID) #28 - Bassett Neighborhood ("District") as set forth by Wisconsin Statutes 66.1105 ("TIF Law"); and

WHEREAS on December 14, 2004, the Common Council adopted Resolution No. 62,098 adopting an amendment to the boundary and Project Plan for the District as set forth by TIF Law; and

WHEREAS on September 18, 2007, the Common Council adopted RES-07-01102 creating the Bassett Neighborhood Small Cap TIF Loan Program; and

WHEREAS Nicholas Moore and Heidi Lindroth ("Borrower") shall purchase and renovate the property located at 541 West Doty Street ("Property") and be the owner-occupant(s) ("Project"); and

WHEREAS after review of the Small Cap TIF Application and its attachments, staff concluded that Small Cap TIF assistance in the amount of \$60,000 would stimulate the conversion of the Property into owner-occupied housing as set forth in the adopted Small Cap TIF program for TID #28; and

WHEREAS in addition to any other powers conferred by law, the City may exercise any power necessary and convenient to carry out the purpose of the TIF law, including the power to cause Project Plans to be prepared, to approve such plans, and to implement the provisions that effectuate the purpose of such plans; and

NOW, THEREFORE, BE IT RESOLVED that the City hereby finds and determines that the Project is consistent with the public purposes, plans and objectives set forth in the TID #28 Project Plan and that the City's loan to the Borrower will stimulate redevelopment in TID #28, thereby making more likely an accomplishment of the public purpose objectives set forth in the Project Plan and its amendment, the TIF Law and City TIF Policy.

BE IT FURTHER RESOLVED that funding is subject to the following conditions:

1. The Project. Borrower agrees to purchase and renovate the Property located at 541 West Doty Street.
2. Form of Assistance. TIF assistance shall be provided in the form of a ten-year deferred zero interest (0%) forgivable loan ("TIF Loan") at closing from the City to Borrower, in the amount of \$60,000 to partially finance Borrower's development of the Project. Borrower shall execute a note, mortgage, Loan Agreement, and land use restriction in favor of the City.
3. Property Insurance. Prior to funding, evidence must be provided that a property insurance policy of the proper type and amount of coverage to protect the City's participation has been obtained. The policy shall name the City of Madison as an additional insured mortgagee.
4. Title Insurance. At funding, Borrower must provide a commitment for a title insurance policy of the proper type and amount of coverage to the City. The City shall receive a lender's policy.
5. Affirmative Action [MGO 39.02(9)]. Borrower and its contractors/subcontractors must comply with all applicable provisions of the Madison General Ordinance (MGO) 39.02(9), concerning contract compliance requirements. Prior to commencing construction, Borrower shall contact the City's Affirmative Action Division to assure that Borrower is in compliance with the aforementioned requirements. Borrower shall assist and actively cooperate with the Affirmative Action Division in obtaining the compliance of contractors and subcontractors with such applicable provisions of the

MGO. Borrower shall allow maximum feasible opportunity to minority/disadvantaged women business enterprises to compete for any contracts.

6. Accessibility (MGO 39.05). Borrower agrees to meet applicable accessibility accommodations for the Project as required by MGO 39.05.
7. Equal Opportunity and Fair Housing. Borrower shall comply with all applicable local, state and federal provisions concerning Equal Opportunity and Fair Housing.
8. Project Completion. Borrower must guarantee that the construction of the Project will be completed by March 28, 2009.

BE IT STILL FURTHER RESOLVED that the TIF loan to the Borrower is hereby approved in an amount not to exceed \$60,000 and that the Mayor and City Clerk are hereby authorized to execute a loan agreement and other documents as may be necessary to effectuate the transaction, all of which are subject to the approval of the City Attorney.