

City of Madison, Wisconsin

AGENDA ITEM NO. _____

REPORT OF _____

Presented January 17, 2012

Referred to _____

Rereferred to _____

Reported Back _____

Adopted _____

Rules Suspended X

Placed on File _____

THE COMMUNITY
DEVELOPMENT AUTHORITY

Date: January 9, 2012

To the Mayor and Common Council:

RE: REPORT OF PROPOSED TRANSFER OF REAL PROPERTY IN THE BADGER ANN
PARK REDEVELOPMENT AREA

This Report of Proposed Transfer of Real Property by the Community Development Authority of the City of Madison ("CDA") is provided to the City pursuant to Wisconsin Redevelopment Law, which requires the CDA to submit a report to the Common Council prior to the CDA's transfer, lease or sale of any real property in a redevelopment area. The Council must approve the Report prior to the CDA's disposition of any such property. The CDA, by Resolution Number 3057 adopted December 8, 2011, authorized the transfer of certain real property located in the Badger Ann Park Redevelopment Area (the "Redevelopment Area") pursuant to the terms and conditions described below.

The CDA intends to sell approximately 50,000 square feet of vacant land in the Redevelopment Area by quit claim deed to Madison Community Health Center, Inc., doing business as Access Community Health Centers ("Access"). The property to be transferred is located on the 2200 block of South Park Street within the redevelopment known as The Village on Park (the "Property").

In accordance with a Purchase and Sale Agreement to be executed by and between Access and the CDA, and the deed to be executed at closing by the CDA:

- (a) Use of the Property will be limited to the construction and operation of a health care facility containing approximately 16,000 square feet and parking sufficient to provide 3.5 parking spaces per 1,000 square feet of building. Such use will be consistent with the purposes of the Badger Ann Park Redevelopment Plan in eliminating blight and furthering employment and services to the neighborhood;
- (b) The purchase price to be paid at closing to the CDA shall be calculated by multiplying the number of square feet in the Property by \$14.50 per square foot. The CDA shall receive a nonrefundable earnest money deposit of \$5,000 to be applied towards the purchase price;

- (c) The CDA shall be responsible, at its sole cost, for the removal of the outdoor advertising sign located on the Property prior to July 1, 2012;
- (d) The CDA and Access shall enter into an Operations and Easement Agreement to allow visitors to both The Village on Park and Access ingress and egress across common areas and parking areas of the Access Property and The Village on Park property. Access employees and visitors shall have designated parking;
- (e) The CDA and Access shall enter into a Perpetual Subsurface Parking Easement Agreement which will prohibit Access from building any structures within a certain portion of its Property (the "Easement Area"). The CDA will be given the right to use the Easement Area for construction staging and ingress and egress if and when the CDA develops a building or parking structure on the north end of The Village on Park property. The Easement Agreement shall grant the CDA the right to build a subsurface parking structure within the Easement Area provided the CDA returns the surface to its preconstruction condition; and
- (f) The CDA and Access shall enter into a Repurchase Agreement under which the CDA will have an option to repurchase the Property in the event Access does not commence construction of its project within 12 months of the date of closing. The purchase price shall be equal to the amount paid by Access to the CDA for the Property.

The Redevelopment Law allows the CDA to dispose of property in a redevelopment area without public bidding, provided the disposition is preceded by a public hearing. On January 12, 2012 the CDA held a public hearing on the proposed transfer of the Property in order to allow interested parties a chance to express their opinions. Notice of the hearing was preceded by published notice.

Reference is made to CDA Resolution No. 3057 and to the executed Letter of Intent between the CDA and Access for the complete terms and provisions thereof.

The CDA recommends the acceptance of the Report and adoption of its recommendations.

Respectfully submitted,

Community Development Authority of the City of Madison

By: _____
Percy Brown, Assistant Secretary