

## Summary Report to the City of Madison Board of Estimates

### Tax Incremental District (TID) No. 35 (Todd Drive), City of Madison - Use of ½ Mile Rule -

#### Background

On September 7, 2005, the City of Madison adopted the TID #35 project plan and boundary (File ID No. 01262, Enactment No. RES-05-00580). TID #35 project plan ("Project Plan") was then approved by the Joint Review Board on November 17, 2005.

The Project Plan includes a \$740,000 budget item titled "Affordable Housing Set-Aside". As stated on Page 2 of the Project Plan, these funds "shall be reserved to assist in the development of affordable housing within the District".

#### 2013 - Proposed Use of ½ Mile Rule

The City of Madison's adopted 2013 Capital Budget includes \$500,000 for a Rental Rehab / Small Cap TIF loan program in and adjacent to TID #35. It is the City's intent to utilize these funds to assist with the rehabilitation and revitalization of affordable housing within the existing boundary of TID #35 and within a half mile of TID #35 (see attached map). The City is NOT proposing to amend the boundary or to increase the budget of the Project Plan.

The TIF Law provides that before a city may make or incur an expenditure for project costs within a one-half mile radius of a TID's boundary, the joint review board must approve the proposed expenditure. The City is requesting that the Joint Review Board approve this expenditure for the Rental Rehab / Small Cap TIF program within ½ Mile of the TID #35 boundary. The Joint Review Board is scheduled to hold an organizational meeting on February 28, 2013 and a second meeting to take action on March 7, 2013.

A map showing the proposed expenditure location in relation to TID #35 is shown below.



