

MEMORANDUM

TO: TIF Policy Review Ad Hoc Committee
FR: Dan Rolfs, Community Development Project Manager
DATE: October 3, 2013

SUBJECT: DRAFT OF RE-CONSTRUCTED “BUT FOR” STANDARD

Background

At the September 19 meeting, the Committee asked staff to create a matrix that would provide the Council with a list of proposed policy options and how exceptions to these options would apply. The Committee identified the eight (8) goals and objectives in the EDC proposal shown below, as a starting point for this endeavor.

1. Growing the property tax base
2. Fostering the creation and retention of family-supporting jobs and jobs that offer career ladders toward family-supporting jobs
3. Encouraging adaptive re-use of obsolete or deteriorating property
4. Encouraging urban in-fill projects that increase (or decrease where appropriate) density consistent with the City comprehensive plan
5. Assisting in the revitalization of historic or architecturally significant or deteriorated buildings
6. Creating a range of housing options and specifically encouraging the development of workforce and affordable housing
7. Enhancing transportation options by making it easier to walk, bike, use mass-transit, or employ other shared transit options
8. Promoting superior design, building materials, and sustainability features in the built environment

To that end, staff has drafted the following matrix that attempts to meld the goals and objectives identified above, with language that had been previously discussed by the Committee. This language was presented in the previous memo from staff dated September 19, 2013 titled “Draft Re-constructed “but for” Standard”.

The matrix is designed solely as a quick method to look at what TIF funds a project may be eligible for and does NOT contain all of the underwriting requirements that would be in the adopted policy. These requirements were contained in the September 19, 2013 memo from staff.

NOTE: The City of Madison Common Council reserves the right to make exceptions to the policy.

<p>Projects Eligible for up to 40% of estimated tax increments</p>	<p><u>Jobs Project that request a Gap Analysis Waiver, that create / retain more than 100 full-time, living wage jobs</u> (as described in September 19, 2013 memo “Draft Re-constructed “but for” Standard”):</p> <p><u>Goal met:</u></p> <ul style="list-style-type: none"> 2. Fostering the creation and retention of family-supporting jobs and jobs that offer career ladders toward family-supporting jobs.
<p>Projects Eligible for up to 50% of estimated tax increments</p>	<p><u>Projects that demonstrate a financial gap based upon gap analysis</u>, comply with the balance of TIF Policy (as applicable), and meet one of the following goals:</p> <p><u>Goal met:</u></p> <ul style="list-style-type: none"> 1. Growing the property tax base 3. Encouraging adaptive re-use of obsolete or deteriorating property 4. Encouraging urban in-fill projects that increase (or decrease where appropriate) density consistent with the City comprehensive plan 5. Assisting in the revitalization of historic or architecturally significant or deteriorated buildings 6. Creating a range of housing options and specifically encouraging the development of workforce and affordable housing 7. Enhancing transportation options by making it easier to walk, bike, use mass-transit, or employ other shared transit options 8. Promoting superior design, building materials, and sustainability features in the built environment
<p>Projects Eligible for up to 60% of estimated tax increments</p>	<p><u>Jobs Projects that demonstrate a financial gap based upon gap analysis, with a loan sized up to 60% of estimated increment AND one (1) living-wage job per \$65,000 of TIF:</u></p> <p><u>Goal met:</u></p> <ul style="list-style-type: none"> 2. Fostering the creation and retention of family-supporting jobs and jobs that offer career ladders toward family-supporting jobs.