



Department of Planning & Community & Economic Development

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TO: Economic Development Committee

FROM: Mark Olinger, Dept. of Planning & Community & Economic Development

DATE: January 6, 2010

SUBJECT: DRAFT Criteria for Land Banking Program

The 2010 City of Madison Capital Budget provides \$5 million for a new land banking fund. Budget language included a request that the Department of Planning & Community & Economic Development (DPCED) draft criteria for the type of projects that would be selected for this program.

Alder Mark Clear met with several of my staff and me and we developed criteria for selecting potential projects. Ald. Clear would like the Economic Development Committee (EDC) to review these criteria in preparation for discussion and possible action at the February 3, 2010 EDC meeting.

The criteria have been divided into three tiers with the most weight provided to Tier 1 Criteria, and the least weight provided to Tier 3 Criteria.

Tier 1 Criteria

- The property can be acquired at below-market price.
- Redevelopment/development of the property will eliminate blight, enhance neighborhood viability and stability, encourage economic development and generate additional property tax revenue.
- Redevelopment/development of the property will have a catalytic impact, stimulating additional redevelopment/development within the surrounding area.

Tier 2 Criteria

- Future use of the property has been outlined in adopted City plans or Planned Unit Developments (PUDs).
- Acquisition will prevent a large development parcel from being subdivided into smaller parcels in situations where subdivision into smaller parcels would provide less opportunity to achieve the goals outlined in the plans and PUDs noted above.
- Barriers to redevelopment/development (holding costs, demolition costs, environmental remediation, etc.) can be more easily eliminated if the property is owned by the City.

Tier 3 Criteria

- The property is located along a transportation corridor which would provide transit-oriented development (TOD) opportunities.
- The land banking investment has the potential of leveraging additional Federal, State, and Local (BREWD and TIF) funding.