

COMMUNITY DEVELOPMENT AUTHORITY OF THE CITY OF MADISON, WISCONSIN

Resolution No. 2812

Authorizing the execution of a Development Agreement between the CDA and the Urban League of Greater Madison for the sale of a parcel of CDA-owned land within the boundaries of The Villager located on South Park Street for the construction of an office building. .

Presented July 30, 2008
Referred _____
Reported Back _____
Adopted _____
Placed on File _____
Moved By _____
Seconded By _____
Yeas _____ Nays _____ Absent _____
Rules Suspended _____

PREAMBLE

As part of a broad community effort to stabilize and revitalize the South Park Street Corridor, the City and the CDA created a Redevelopment Plan to advance an overall redevelopment strategy for the former Villager Shopping Center ("The Villager") that would build upon its community-serving strengths. The adoption of the plan made it possible for the CDA to use its statutory powers to acquire, stabilize, and revitalize The Villager to make it one of the primary community focal points in South Madison. The Urban League of Greater Madison has expressed its desire to acquire a parcel of land within the exterior boundaries of The Villager to enable it to construct a building that will house its offices, a relocated South Madison Branch Library and additional leaseable space. The terms of a Development Agreement that will facilitate these transactions has been negotiated between the parties.

NOW THEREFORE BE IT RESOLVED that the CDA does hereby authorizes the execution of a Development Agreement with the Urban League of Greater Madison (the "Developer") for the acquisition of a parcel of CDA-owned land within the exterior boundaries of The Villager for the construction of an office building subject to the following terms and conditions:

1. The CDA agrees to sell and to convey by Quit Claim Deed to the Developer, and the Developer agrees to purchase from the CDA, a parcel of land consisting of approximately 20,000 square (the "Property") located within the exterior boundaries of The Villager (the "CDA Property"), as shown and identified on the attached Exhibit A, located on South Park Street, Madison, Wisconsin.
2. The purchase price (the "Purchase Price") of the Property shall be calculated by multiplying the number of square feet in the Property by \$18.00 per square foot. Said square footage shall be determined by a Certified Survey Map prepared by the CDA, at its sole cost and expense, and provided to the Developer prior to closing. The Purchase Price shall be payable in cash at closing. Notwithstanding the foregoing, in the event construction of the Building commences on or before October 31, 2008, the Purchase Price of the Property shall be reduced to \$12.00 per square foot; and in the event construction of the Building commences after October 31, 2008 but prior to December 1, 2008, the Purchase Price shall be reduced to \$15.00 per square foot. Construction of the Building shall be deemed to commence on the date that excavation work begins for the Building's foundation (the "Commencement Date").
3. The Developer agrees to construct on the Property a two (2) or three (3) story commercial condominium building (the "Building") containing a minimum of 30,000 gross square feet and a maximum of 36,000 gross square feet.
4. The uses on the Property shall be limited to those uses allowed in C-2 zoning classification subject to restrictions agreed to by the Parties, which shall be deemed covenants running with the land. It shall be a condition precedent to closing that all required land use and other governmental approvals are in place and permit the proposed Building to be constructed.

5. The Developer agrees to construct an approximately 800-1,200 net leasable square foot space within the Building for neighborhood retail use.
6. The Developer agrees that the Building shall be completed within twelve (12) months of the Commencement Date.
7. The Developer agrees to construct the Building so that it is architecturally compatible with the theme for the exterior of all buildings to be constructed or rehabilitated within The Villager redevelopment project, such guidelines and architectural theme being shown on the attached Exhibit B and in the adopted Villager Master Plan. All building plans shall be subject to CDA approval prior to the Commencement Date.
8. Prior to closing the Developer shall execute a purchase and sale agreement with the City of Madison for a 12,000 square foot "grey box" condominium unit within the first floor of the Building (the "Library Unit") for the relocation and expansion of the South Madison Branch library currently located in The Villager. Such purchase and sale agreement shall require the Developer to construct and convey the Library Unit to the City within 12 months of the Commencement Date. The Developer shall be responsible for the preparation and recording of the necessary condominium documents, including the condominium plat, declaration, bylaws, and rules or regulations adopted pursuant to the declaration or bylaws, and all amendments to any of the foregoing. Such condominium documents shall be subject to the City's prior review and approval.
9. Prior to closing the Developer shall provide to the CDA proof of financing for the construction of the Building.
10. Closing shall occur within ten (10) business days prior to the anticipated Commencement Date or on such other date as agreed to by the Parties.
11. The Parties shall execute at closing an Operations and Easement Agreement for all area within the CDA Property and the Property exclusive of building footprints (the "Common Area") that would provide the following:
 - a. Non-exclusive perpetual Ingress, Egress and Parking easements for the passage and parking of vehicles over and across the parking areas and associated drive aisles of the Common Area and the accommodation of pedestrians over and across the parking, driveways and sidewalk areas of the Common Area.
 - b. Non-exclusive perpetual easement for the passage and accommodation of pedestrians and vehicles (but not for parking purposes) upon, over and across that portion of the CDA Property which is designated on Exhibit A as the "Perpetual Access Drives".
 - c. Non-exclusive perpetual utility easements in, to, over, under, along and across the Common Area.
 - d. Perpetual easements to discharge surface storm drainage and/or runoff over, upon and across the Common Area.
 - e. Common Area Maintenance (the "CAM") cost sharing for the Common Area and Perpetual Access Drives. CAM shall include, but not be limited to, drive and parking areas, debris and refuse, non-occupant signs and markers, lighting, landscaping, sweeping and snow removal, common utility lines, sidewalks, security (if required) traffic controls, taxes, special assessments and administrative costs.
 - f. A one-time Surface Parking Lot Charge for the non-exclusive use of 75 parking spaces within the Common Area. Such Surface Parking Lot Charge shall be calculated using the following formula: 75 parking spaces x 325 sq. ft./space x \$18.00/sq. ft. Notwithstanding the foregoing, in the event the Commencement Date is on or before October 31, 2008, the Surface Parking Lot Charge shall be calculated as follows: 75 parking spaces x 325 sq. ft./space x \$12.00/sq. ft. And in the event the Commencement Date is after October 31, 2008 but prior to December 1, 2008, the Surface Parking Lot Charge shall be calculated as follows: 75 parking spaces x 325 sq. ft./space x \$15.00/sq. ft.
 - g. An allocation of site improvement costs related to the Common Area based upon the Developer's 75 parking spaces. Site improvements will be constructed in stages and include, but are not limited to, drive and parking areas, curbs, gutter, storm water retention, lighting, landscaping, utility improvements, and signage. The Developer's allocated costs shall be determined at the time of approval of the site improvement stage located proximate to the Property. The Developer's allocation shall be computed based on the ratio of the Developer's 75 parking spaces in relation to the total number of parking spaces to be constructed in such stage.

- h. Temporary staging and/or storage easements in the Common Area for Building construction, reconstruction, repair or maintenance.
12. The Parties shall execute at closing a Repurchase Agreement that would provide the CDA with the option to repurchase the Property in the event the Developer does not commence construction of the Building within six (6) months from the date of closing at the Purchase Price paid by the Developer to the CDA for the Property.

BE IT FURTHER RESOLVED that the CDA Chair and Secretary are authorized to execute any and all documents to accomplish the transactions contemplated in this resolution.