

## **Summary Report to the City of Madison Joint Review Board**

### **Tax Incremental District (TID) No. 50 (State and Lake), City of Madison - Use of ½ Mile Rule (Small Business Grants) -**

The City of Madison proposes to expand the area of the City eligible for small business grants in the vicinity of the State Street business district. This expansion does not add any new costs for the distribution of grant funding described in the TID #50 (State and Lake) project plan as adopted in 2022, up to the previously authorized maximum of \$4,200,000. City Staff will request the Joint Review Board authorize the use of the so called “1/2 Mile Rule” authorized in TIF Statute to allow TID #50 to fund this project which is located within ½ mile of the current TID boundary (see attached map).

As noted in the 2022 Project Plan, TIF assistance in the form of small business TIF grants may be provided to private small business development projects. TIF Law allows such funds to be used to reduce the cost of site acquisition or site improvements including the construction or razing of buildings, interior or exterior renovation or restoration, site preparation, environmental remediation, landscaping and similar types of related activities but requires that the City provide the Joint Review Board with copies of the grant agreement for each project. The City will provide copies of each grant agreement to the Joint Review Board after each subsequent project receives Common Council authorization of a grant award. Small business grants programs to be funded with TIF assistance include Building Improvement Grants; Façade Grants; Madison Pop-Up Shop Program; Business Ready Program; and Commercial Ownership Assistance Program.

