



Legislation Details (With Text)

File #: 06938 **Version:** 1 **Name:** Authorizing the provision of additional CDBG funds to assist the Urban League of Greater Madison acquire property and construct a building to develop a Center for Economic Development in ways that address City Community and Neighborhood Development Object

Type: Resolution **Status:** Passed

File created: 7/9/2007 **In control:** COMMUNITY DEVELOPMENT BLOCK GRANT COMMITTEE

On agenda: 8/7/2007 **Final action:** 8/7/2007

Enactment date: 8/8/2007 **Enactment #:** RES-07-00834

Title: Authorizing the provision of additional CDBG funds to assist the Urban League of Greater Madison acquire property and construct a building to develop a Center for Economic Development in ways that address City, Community and Neighborhood Development Objectives.

Sponsors: Thuy Pham-Remmele, Tim Bruer, Marsha A. Rummel

Indexes:

Code sections:

Attachments:

| Date | Ver. | Action By | Action | Result |
|-----------|------|---|---|--------|
| 8/7/2007 | 1 | COMMON COUNCIL | Adopt | Pass |
| 8/2/2007 | 1 | COMMUNITY DEVELOPMENT BLOCK GRANT COMMITTEE | RECOMMEND TO COUNCIL TO ADOPT - REPORT OF OFFICER | |
| 7/17/2007 | 1 | COMMON COUNCIL | Refer | |
| 7/11/2007 | 1 | CDBG Office | Referred for Introduction | |
| 7/10/2007 | 1 | CDBG Office | Fiscal Note Required / Approval | |
| 7/10/2007 | 1 | Finance Dept/Approval Group | Approved Fiscal Note By The Comptroller's Office | |

Fiscal Note

\$150,000.00 in Federal CDBG funds is available within the Community Acquisition/Rehab Fund, in addition to \$150,000.00 previously approved by the Council in March 2007. Use of the funds will not count toward the State expenditure limits.

Title

Authorizing the provision of additional CDBG funds to assist the Urban League of Greater Madison acquire property and construct a building to develop a Center for Economic Development in ways that address City, Community and Neighborhood Development Objectives.

Body

Agency:

The Urban League of Greater Madison is the local affiliate of the National Urban League. The local organization has sponsored several programs intended to strengthen the job skills or job readiness of many lower income people and people of various racial and ethnic backgrounds, as well as provide youth mentoring, and business development services.

Project:

Over the last several years, organization has explored ways to leverage the sale of its current headquarters on Gorham Street and find a site that would be more accessible to its client base, provide space for its programs, and permit it to partner or grow its program in the business support area. The Urban League has a completed a fund-raising study and is now engaged in the development of a more public campaign to raise funds for this new facility. In addition, they have discussed the purchase or lease of space within the Villager Mall Community Development Authority, and the availability of space elsewhere in South Madison with other parties. The Executive Director of the CDA has expressed support for their becoming part of the mix of participants in the revitalization of the Villager, and has indicated that the CDA will make a tenant mix decision by the end of October 2007.

Last February, the CDBG Commission recommended and the Council approved a resolution to provide an initial \$150,000.00 to help leverage private funds toward the development of a new building. At this point, it appears likely that the Urban league will develop a building that will house both the South Madison branch of the Public Library and its own training, business, and youth programs.

ACTIONS:

WHEREAS, the CDBG program, as amended, and its implementing regulations located at 24 CFR part 42, permit the City of Madison to help community agencies that serve lower income people;

WHEREAS, CD staff and the CDBG Commission have reviewed this proposal and find that it furthers the goals expressed in the Five-Year Community and Neighborhood Development Plan;

NOW, THEREFORE BE IT RESOLVED, that the Common Council approve the provision of funds for the following project, and authorize the Mayor and the City Clerk to enter into an agreement with:

The Urban League of Greater Madison, Inc., or a related affiliate for up to an additional \$150,000.00 in CDBG funds toward the acquisition of land, and construction, and/or related development costs of a building to house the Urban League and its Center for Economic Development.

BE IT FURTHER RESOLVED that these funds be made available for up to six months after Council approval, although the Council delegates the authority to the CDBG Commission to choose to extend the period of availability through the May, 2008, if the Urban League were to demonstrate to the CDBG Commission a satisfactory level of a commitment for site control for a property suitable for the planned Center, and feasible within the projected budget for the site.

BE IT FURTHER RESOLVED that the assistance be offered on terms adopted in the 2007-2008 Framework for Community and Neighborhood Development, such that the organization be offered in the form of a deferred payment loan payable upon change of use or sale, with repayment equal to the greater of the amount of CDBG funds invested in the property or the percent of appraised value that the funds represent in the value of the property.

NOTE: The Proposal describing the above project and the CD staff and CDBG Commission recommendation are available on file in the Council Office and in the CD office.