



Legislation Details (With Text)

File #:	80587	Version:	1	Name:	Approving a loan of up to \$400,000 of federal Community Development Block Grant funds to The River Food Pantry, Inc. from the Community Facilities Loan Program to help finance the acquisition of real property generally located at 2102 and 2202 Darwin Road
Type:	Resolution	Status:			Passed
File created:	10/30/2023	In control:			Community Development Division
On agenda:	12/5/2023	Final action:			12/5/2023
Enactment date:	12/13/2023	Enactment #:			RES-23-00756
Title:	Approving a loan of up to \$400,000 of federal Community Development Block Grant funds to The River Food Pantry, Inc. from the Community Facilities Loan Program to help finance the acquisition of real property generally located at 2102 and 2202 Darwin Road, and authorizing the Mayor and City Clerk to sign an agreement for that purpose. (District 18)				
Sponsors:	Kristen Slack, Dina Nina Martinez-Rutherford, Nikki Conklin, Charles Myadze, Regina M. Vidaver, Derek Field				
Indexes:					
Code sections:					
Attachments:					

Date	Ver.	Action By	Action	Result
12/5/2023	1	COMMON COUNCIL	Adopt	Pass
11/27/2023	1	FINANCE COMMITTEE	RECOMMEND TO COUNCIL TO ADOPT - REPORT OF OFFICER	Pass
11/7/2023	1	COMMON COUNCIL	Refer	Pass
10/30/2023	1	Community Development Division	Referred for Introduction	

Fiscal Note

The proposed resolution would authorize a \$400,000 loan to The River Food Pantry, Inc. from the Community Facilities Loan (CFL) Program. The CFL program was established in the Community Development Division's (CDD) 2022 Capital Budget, which allocated \$1 million in GO Borrowing to support smaller capital projects proposed by non-profit partners to meet facility needs. No funds were expended in 2022, and the unused appropriation was reauthorized in the 2023 budget.

The CFL program is also funded with \$500,000 in Community Development Block Grant (CDBG) funds to support acquisition projects.

CFL program guidelines for acquisition and construction loans set a maximum loan amount of the lesser of \$400,000 or 20% of total eligible project costs in the form of a zero percent long-term deferred loan.

As of October 23, 2023, four CFL loans have been approved by the Common Council:

- \$400,000 (RES-23-00125, File 75563)
- \$68,000 (RES-23-00191, File 76394)
- \$87,000 (RES-23-00411, File 77544)
- \$400,000 (RES-23-00562, File 79128)

\$45,000 in City General Obligation borrowing remains in the CFL capital program budget to support requests from other applicants. There are \$388,800 in CDBG funds available for acquisition projects. No additional City appropriation would be required.

Title

Approving a loan of up to \$400,000 of federal Community Development Block Grant funds to The River Food Pantry, Inc. from the Community Facilities Loan Program to help finance the acquisition of real property generally located at 2102 and 2202 Darwin Road, and authorizing the Mayor and City Clerk to sign an agreement for that purpose. (District 18)

Body

WHEREAS, the City of Madison's Community Facilities Loan (CFL) Program provides low-cost financing to support non-residential development projects undertaken by non-profit organizations in the City of Madison that involve the acquisition of property or substantial expansion, redevelopment, improvement or rehabilitation of property the organizations currently own or lease; and,

WHEREAS, the City's objective through the CFL Program is to create or improve safe, accessible, energy efficient and well-maintained community and neighborhood facilities; and,

WHEREAS, the CFL Program guidelines are consistent with the goals and requirements set forth in the City's 2020-2024 Five-Year Consolidated Plan, formally adopted by the Common Council on February 25, 2020, which guides the use of U.S. Department of Housing and Urban Development (HUD) funds; and,

WHEREAS, The River Food Pantry, Inc. has applied to the CFL Program for assistance to acquire the real property generally located at 2102 and 2202 Darwin Road to build a new 25,000 square foot facility designed to support the continuation and growth of the pantry's network of food distribution and food recovery programs as well as related wraparound services related to successful operations and services to their clients and community members throughout Dane County; and,

WHEREAS, per the CFL Program guidelines, The River Food Pantry, Inc. intends to provide programming and other support at the community facility primarily to low-income households, and meets all other eligibility requirements of the CFL Program; and,

WHEREAS, The River Food Pantry, Inc. presents a total project budget of approximately \$13,900,000 and the CFL Program guidelines offer financial assistance for improvements in an amount of up to the lesser of \$400,000 or 20% of total eligible project costs; and,

WHEREAS, funds under the CFL Program are offered to awardees in the form of a zero percent long-term deferred loan, repayable upon the sale or change of use of the property.

NOW, THEREFORE, BE IT RESOLVED, that the Common Council approves a loan of up to \$400,000 from the Community Facilities Loan Program to The River Food Pantry, Inc. for use to purchase the property located at 2102 and 2202 Darwin Road, Madison; and,

BE IT FURTHER RESOLVED that, that the Council authorizes the Mayor and City Clerk to execute, deliver, publish, file and record such other documents, instruments, notices and records, and take such other actions as shall be deemed necessary or desirable to accomplish the intent of this Resolution, and to comply with and perform the obligations of the City. WHEREAS, the City of Madison's Community Facilities Loan (CFL) Program provides low-cost financing to support non-residential development projects undertaken by non-profit organizations in the City of Madison that involve the acquisition of property or substantial expansion, redevelopment, improvement or rehabilitation of property the organizations currently own or lease; and,

WHEREAS, the City's objective through the CFL Program is to create or improve safe, accessible, energy efficient and well-maintained community and neighborhood facilities; and,

WHEREAS, the CFL Program guidelines are consistent with the goals and requirements set forth in the City's 2020-2024 Five-Year Consolidated Plan, formally adopted by the Common Council on February 25, 2020, which guides the use of U.S. Department of Housing and Urban Development (HUD) funds; and,

WHEREAS, The River Food Pantry, Inc. has applied to the CFL Program for assistance to acquire the real property generally located at 2102 and 2202 Darwin Road to build a new 25,000 square foot facility designed to support the continuation and growth of the pantry's network of food distribution and food recovery programs as well as related wraparound services related to successful operations and services to their clients and community members throughout Dane County; and,

WHEREAS, per the CFL Program guidelines, The River Food Pantry, Inc. intends to provide programming and other support at the community facility primarily to low-income households, and meets all other eligibility requirements of the CFL Program; and,

WHEREAS, The River Food Pantry, Inc. presents a total project budget of approximately \$13,900,000 and the CFL Program guidelines offer financial assistance for improvements in an amount of up to the lesser of \$400,000 or 20% of total eligible project costs; and,

WHEREAS, funds under the CFL Program are offered to awardees in the form of a zero percent long-term deferred loan, repayable upon the sale or change of use of the property.

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BE IT FURTHER RESOLVED that, that the Council authorizes the Mayor and City Clerk to execute, deliver, publish, file and record such other documents, instruments, notices and records, and take such other actions as shall be deemed necessary or desirable to accomplish the intent of this Resolution, and to comply with and perform the obligations of the City.