



## Legislation Text

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**File #:** 22235, **Version:** 1

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### **Fiscal Note**

The 2011 adopted City operating budget provides authorization for expenditures of \$500,000 from the Brownfields Remediation Revolving Loan Fund (p. 29), from which the proposed expenditure of \$425,000 will come. The funding is from a State grant. No additional appropriation is required.

### **Title**

Authorizing the award of a grant of BREWD funds in an amount not to exceed \$425,000 to RDC Development, LLC for the demolition, remediation, and redevelopment of the Royster Clark property, and the execution of a BREWD Grant Agreement by the Mayor and City Clerk.

### **Body**

WHEREAS, the City of Madison received a \$1,000,000 award from the State of Wisconsin to capitalize the Brownfield Remediation/Elimination & Workforce Development (BREWD) program; and,

WHEREAS, the Common Council adopted the current BREWD program guidelines on February 23, 2010; and,

WHEREAS, RDC Development, LLC submitted an application for BREWD funding on February 4, 2011 for the demolition, remediation, and redevelopment of the property known as Royster Clark at the intersection of Cottage Grove Road and Dempsey Road.

NOW THEREFORE BE IT RESOLVED that the Common Council awards a grant of BREWD funds in an amount not to exceed \$425,000 to RDC Development, LLC (“Developer”) for the demolition, remediation, and redevelopment of the Royster Clark property (the “Grant”); and,

BE IT FURTHER RESOLVED that \$50,000 of the Grant is conditioned upon Developer’s commencement of the demolition and remediation activities by November 1, 2011, with the option for the Department of Planning, Community & Economic Development Director to extend the November 1, 2011 deadline if the issuance of a demolition permit is delayed by the City; and,

BE IT FURTHER RESOLVED that the Common Council authorizes the City Attorney’s Office to draft a BREWD Grant Agreement in accordance with the BREWD program guidelines referenced above, and that said Grant Agreement should include the following specific terms:

- That the City shall secure the Grant with a subordinate mortgage on the property to be satisfied upon the issuance of a Certificate of Occupancy for the first occupied commercial structure developed on the site.
- That the City shall require a minimum of 11 (for a \$375,000 grant) or 13 (for a \$425,000 grant) permanent full-time equivalent (40 hours per week) positions on the property that conform to the City of Madison Living Wage Ordinance (Section 4.20, MGO) within four (4) years of issuance of a Certificate of Occupancy for the first occupied commercial structure developed on the site; or, be subject to repayment of grant funds per the program guidelines referenced above.
- That the Grant will be used for the demolition and remediation activities consistent the aforementioned application.
- That the property will redevelop in a manner consistent with the aforementioned application, recognizing that final development plans are subject to future City approvals; and,

BE IT FURTHER RESOLVED that the Common Council authorizes the City Attorney's Office to draft a BREWD Grant Agreement with the following disbursement contingencies (which differ from the aforementioned program guidelines) so that funds are disbursed when:

- Developer expends eligible demolition and remediation costs that exceed the aggregate amount of the grant and any required match (\$576,924 for a \$375,000 grant and \$653,847 for a \$425,000 grant).
- The Wisconsin Department of Natural Resources is satisfied with the completed demolition and remediation activities.
- The Developer has submitted invoices documenting project-related expenses and lien waivers demonstrating that all contractors have been paid.
- The Developer has satisfied all City of Madison prevailing wage requirements per MGO 4.23 to the satisfaction of the City of Madison Affirmative Action Division.
- A building permit has been issued to construct the first commercial building that will house the positions noted above, and evidence is furnished to the satisfaction of the City that construction will begin within a reasonable period of time after disbursement of the Grant; and,

BE IT FINALLY RESOLVED that the Mayor and City Clerk are authorized to execute said BREWD Grant Agreement and any other documents necessary to complete the transaction described in this Resolution, all in a form approved by the City Attorney.