



Legislation Text

File #: 61902, **Version:** 1

Fiscal Note

The proposed resolution authorizes a \$200,000 grant to the Urban League of Greater Madison to assist lower income households to acquire homes. This grant will be funded by TIF proceeds from TID #42, which will be receiving an incremental revenue donation from TID #39 (File ID 61522). The Economic Development Division's 2020 Adopted Capital Budget will be amended to include the proposed \$200,000 grant in the TID 42 Wingra capital program.

Title

Amending the Economic Development Division's 2020 Adopted Capital Budget and Authorizing the Mayor and City Clerk to execute a development agreement to fund a \$200,000 grant to the Urban League of Greater Madison ("ULGM") to assist lower income households to acquire homes within the geographic areas of Tax Incremental Financing District ("TID") #42 (Wingra) and within a half mile of TID 42, as shown on the attached map.

Body

WHEREAS, the City of Madison has set a goal of increasing the ability of lower income households, defined as those households with incomes at or below 120% of the area median income ("AMI"), to acquire homes within the City of Madison, and;

WHEREAS, the Urban League of Greater Madison ("ULGM") has developed a program to assist lower income households to acquire homes within the City of Madison, and;

WHEREAS, the Common Council wishes to provide up to Two Hundred Thousand dollars (\$200,000) to ULGM (the "Grant") towards this program, and;

WHEREAS the City of Madison has recently authorized an amendment to the Project Plan of TID #39 (Stoughton Rd) to donate \$1,700,000 of incremental revenue to TID #42 (Wingra), and;

WHEREAS the City of Madison has amended the Project Plan to TID #42 (Wingra) to authorize the expenditure of \$200,000 to ULGM for the purposes of funding the Grant,

NOW THEREFORE BE IT RESOLVED, that the Common Council of the City of Madison does hereby authorize the Grant in the amount of \$200,000 be made to ULGM for the purpose of assisting lower income households to purchase and acquire homes, and;

BE IT FURTHER RESOLVED, that the Grant funds are subject to the terms and conditions below:

1. The Grant must be used only for eligible project costs as described in Wis. Stat. § 66.1105(2)(f)(1) (the "TIF Law"). This includes, but is not limited to, funding the purchase and renovation of homes, and providing down payment assistance to participants to lower income households participating in this program through ULGM.
2. Prior to any expenditures being made by the Recipient, the Recipient shall provide cost projections for review by the City for the sole purpose of determining whether expenses are Eligible Expenses.
3. One year from the date of execution, the Recipient shall submit to City an audit of the uses of the funds in a form acceptable to the City. Any amounts used for ineligible costs under the TIF Law shall be immediately repaid to the City.
4. Repayment. Except as provided in Section 2 and provided Recipient has not committed an Event of

Default hereunder, the Grant is not subject to repayment.

5. Affordability Certification. Upon the sale of each home as part of the Project, Recipient shall provide a certification that the household income is at or below 120% AMI.
6. Events of Default. It shall be an Event of Default if Recipient fails to comply with or perform, in any material respect, any of its obligations under this Agreement.

BE IT FURTHER RESOLVED, that the Grant to ULGM is hereby approved and that the Mayor and City Clerk are hereby authorized to draft and execute any documents including, but not limited to, a development agreement, deeds and escrows, and indemnification of title companies, if necessary, in order to carry out the terms of this resolution, all of which are subject to the approval of the City Attorney, and;

BE IT FINALLY RESOLVED that the Economic Development Division's 2020 Adopted Capital Budget be amended to authorize \$200,000 of grant funding to ULGM to be funded by TIF proceeds in TID #42.