



Legislation Text

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Fiscal Note

No significant additional cost is anticipated for the reissuance of an RFP. There may be some maintenance and holding costs if development is delayed (including, for example, the loss of potential interest income of approximately \$3,300 for each month's delay in closing, based on a \$4,000,000 sale price and the City's current investment return of approximately 1% annually). The City's total costs for acquiring the Properties are an estimated \$4,096,509 (including purchase cost of \$3,983,980 (\$14 per sq ft x 284,570 sq ft), \$90,029 for prorated taxes and miscellaneous closing costs, and \$22,500 a Phase 2 Environmental Assessment). The Properties are within Tax Incremental Finance District No. 36 Capitol Gateway and the costs to acquire the Properties were charged to the TID. Sale proceeds will be credited to the TID. Legistar 25056 (introduced to Council on 1/10/12, with final Council approval pending) provides for the sale of 800 South Block site of E. Wash. Ave. to the Rifken Group for \$1,312,050 (\$15 per square foot x 87,470 sq. ft.) and Legistar #25885 (introduced to Council on 4/5/12 with final Council approval pending) provides for the sale of the 800 North Block site of E. Wash. Ave. to Urban Land Interest, LLC. for an estimated \$2,956,500 (\$15 per square foot x 197,100 sq. ft.), or total anticipated sale proceeds for these parcels of \$4,268,550.

Title

Rejecting a Selection Committee's recommendation of the Urban Land Interests, LLC proposal and The Rifken Group, LTD proposal for the purchase and redevelopment of City-owned properties in the North and South 800 Blocks of East Washington Avenue, authorizing the creation of a Don Miller Land Banked Property Selection Committee and authorizing the execution of a Request For Proposal ("RFP") for the purchase and redevelopment of these properties.

Body

WHEREAS, the City of Madison established a Land Banking Fund to purchase and stabilize developable parcels of land in the City of Madison; and,

WHEREAS, the City's Economic Development Committee approved guidelines for the purchase and sale of land acquired with Land Banking Funds (attached); and,

WHEREAS, the City used the Land Banking Fund to purchase properties in the 700 and 800 Blocks of East Washington Avenue (the "Sites"), as shown on the attached map; and,

WHEREAS, the City issued a Request for Proposals (the "RFP") seeking developer interest in the purchase and redevelopment of the Sites to ensure a timely and strategic sale of the Sites to develop tax base, strengthen Tax Incremental Finance District No. 36 Capitol Gateway, and facilitate catalytic neighborhood economic redevelopment; and,

WHEREAS, an ad-hoc "Selection Committee" of Alders, City staff, and development professionals approved by the Mayor reviewed the Proposals and made recommendations; and,

WHEREAS, no representation of area neighborhood associations were part of the Selection Committee decision making process during the City staff-issued RFP; and

WHEREAS, no public meetings were held as part of the Selection Committee's work to expressly solicit and consider public reactions to the submitted proposals,

NOW, THEREFORE BE IT RESOLVED, that Common Council rejects the Selection Committee's recommendation of the Urban Land Interests, LLC Proposal and The Rifken Group, LTD proposal; and,

BE IT FURTHER RESOLVED, that the Common Council authorizes the creation of an Ad-Hoc "Don Miller Land Banked Property Selection Committee" to be comprised of the District 2 Alderperson, District 6 Alderperson, one representative from the Tenney-Lapham Neighborhood Association, to be chosen by its president, one representative from the Marquette Neighborhood Association, to be chosen by its president, the Mayor or his designee, the City's Director of Planning and Community and Economic Development, and the City's Director of the Economic Development Division; and,

BE IT FURTHER RESOLVED, that the Common Council authorizes a new RFP to be executed for the purchase and redevelopment of properties owned by the Seller located at 801, 802, 815, 819, and 854 East Washington Avenue and 806 and 820 East Main Street in the City of Madison, Wisconsin (collectively the "Property"); and,

BE IT FURTHER RESOLVED, that, among other terms and conditions as contained within the RFP shall be open for response for 40 days, from the time of adoption of this resolution; and,

BE IT FURTHER RESOLVED, that the Don Miller Land Banked Property Selection Committee shall hold its meetings publicly and subject to open meetings laws and shall allow for public testimony at its meetings; and,

BE IT FINALLY RESOLVED, that a recommendation by the Don Miller Land Banked Property Selection Committee on projects submitted under this new RFP shall be returned to the Common Council for final action and consideration by September 4, 2012.