



Legislation Text

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Fiscal Note

The City has received a State grant of \$1 million for Brownfields Remediation. The 2011 adopted City operating budget authorizes expenditures of up to \$500,000 in 2011 from the Brownfields Remediation Revolving Loan Fund, of which \$425,000 was recently authorized for expenditure in conjunction with the development of the Royster Clark property (Leg. #22135, RES-11-00453, adopted 5-17-11). Therefore, in order to expend an additional \$250,000 in Brownfields grant funds as proposed in this Resolution, an amendment to increase to \$675,000 the total authorized expenditures from the Brownfields Remediation Revolving Loan fund is required. No additional appropriation is required and there is no impact on the City levy.

Title

Authorizing the award of a grant of BREWD funds in an amount not to exceed \$250,000 to 1102 South Park LLC for the demolition, remediation, and redevelopment of the former Bancroft Dairy property, and adjacent residential properties, into the UW Health Wingra Family Medical Center at 1102 South Park Street, the execution of a BREWD Grant Agreement by the Mayor and City Clerk, and amending the 2011 adopted budget of the Brownfields Remediation Revolving Loan Fund to allow for the additional expenditure.

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, 1102 South Park Street LLC submitted an application for BREWD funding on April 15, 2011 for the demolition, remediation, and redevelopment of the former Bancroft Dairy property, and adjacent residential properties, comprising approximately 3.77 acres, into the UW Health Wingra Family Medical Center ("Center") at 1102 South Park Street ("Property").

NOW THEREFORE BE IT RESOLVED that the Common Council awards a grant of BREWD funds in an amount not to exceed \$250,000 to 1102 South Park LLC or its permitted assigns ("Developer") for the demolition, remediation, and redevelopment of the former Bancroft Dairy property, and adjacent residential properties, into the UW Health Wingra Family Medical Center at 1102 South Park Street (the "Grant"); 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 UW Health Wingra Family Medical Center.
- That the City shall require a minimum of eight (8) 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 UW Health Wingra Family Medical Center; 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 (\$384,616).
- 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.
- The Developer provides evidence (such as development entitlements, a building permit, or executed construction contract) to the satisfaction of the City that construction will begin within a reasonable period of time after disbursement of the Grant on the UW Health Wingra Family Medical Center; and,

BE IT FURTHER RESOLVED that the 2011 adopted budgeted of the Brownfields Redediation Revolving Loan Fund be amended to increase the total authorized expenditures to \$675,000 to provide for both previously authorized expenditures of \$425,000 and the additional expenditure of \$250,000 as provided in this Resolution ; 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.