



Legislation Text

File #: 73649, **Version:** 1

Fiscal Note

This resolution removes the prohibition on use of tax increment financing (TIF) for student housing projects unless the project has a significant affordable component. This would expand the possible use of TIF to all student housing, regardless of whether or not it has a significant affordable component. Use of TIF must meet other requirements, including whether the project would occur "but for" the provision of TIF support, the level of increment generated and available for development under the City's TIF policy, and inclusion in a project plan that is approved by the Common Council and Joint Review Board.

The resolution requires no appropriation.

Title

Removing Student Housing Restrictions from the City of Madison Tax Increment Financing (TIF) Policy

Body

WHEREAS, one in ten people living in Madison is a University of Wisconsin-Madison student, and;

WHEREAS, the average rental cost for campus housing is \$1100 per month, far above income levels of affordability for UW-Madison students, and;

WHEREAS, the growing population of University of Wisconsin-Madison students and the city of Madison places an additional burden on affordable housing options, especially for those most in need of affordable housing, and;

WHEREAS, most funding sources, such as low-income housing tax credits and HOME funds, are prohibited from being used for student housing, and;

WHEREAS, Section 2.2 of the City of Madison TIF Goals, Objectives, and Process states "student housing, defined as multi-unit residential structures, whether publicly or privately owned, that are leased whole or in part to students attending post-secondary educational institutions, shall not be funded with TIF except if it has a significant affordable component;" and,

WHEREAS, this language may be perceived by some as discouraging the use of TIF for affordable student housing;

NOW, THEREFORE, BE IT RESOLVED that Section 2.2 of the City of Madison TIF Goals, Objectives, and Process is deleted; and,

BE IT FINALLY RESOLVED that all remaining text of the City of Madison TIF Goals, Objectives, and Process, as well as the City of Madison TIF Loan Underwriting Policy, remains in place; including, but not limited to, the requirement that a "But For" Standard be met prior to investing TIF into a project.