



Legislation Text

File #: 60995, Version: 3

**Fiscal Note**

The proposed ordinance establishes the ~~Downtown~~ Recovery Program. As structured here, the program will make \$250,000 available for eligible businesses in 2020. The ordinance change includes a corresponding resolution (Leg File 61060) that will appropriate funds for the new program.

**Title**

SECOND SUBSTITUTE - Creating Section 4.33 of the Madison General Ordinances to establish a ~~Downtown~~ Recovery Program Ordinance.

**Body**

DRAFTER'S ANALYSIS: The purpose of the 2020 ~~Downtown~~ Recovery Program Ordinance is to assist ~~downtown~~ business and building owners with repairing damaged property resulting from rioting starting on May 30, 2020. This Substitute clarifies that the 2020 Recovery Program is available to any business in the City that experienced damage.

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The Common Council of the City of Madison do hereby ordain as follows:

1. Section 4.33 entitled "~~Downtown~~ Recovery Program" of Chapter 4 entitled "Finance" of the Madison General Ordinances is created to read as follows:

**"4.33 DOWNTOWN RECOVERY PROGRAM.**

(1) Program Rules.

(a) Eligible Applicants:

1. Applicants must be tenants or property owners located within the City of Madison ~~downtown~~ and not have received funds in any way through this program in the past.
2. Applicant's business or property must be occupied by locally owned and/or controlled businesses and/or located within buildings owned by local residents, as defined as meeting one or more of the of the following criteria:
  - a. A business or building with at least 50% of the owners residing in Dane County.
  - b. A business with at least 50% of key managers living in Dane County, and where said managers independently control purchasing decisions, managers make independent decisions regarding the name and look of the business, including marketing, advertising, logo design and branding decisions. Managers make independent decisions regarding business procedures, practices and policies.
  - c. A business that is headquartered in and registered to a Dane County address.
3. If the Applicant is a property owner, the 2020 Assessed Value of the property cannot exceed \$750,000.
4. Priority will be given to Applicants who are people of color, immigrants, women, the disabled, veterans and any other underrepresented groups.

- (b) Eligible Expenses.
  - 1. Eligible Expenses are limited to exterior repair to commercial structures, including, but not limited to, the repair or replacement of damaged windows, doors, signage, lighting, and exterior façade items, the cleaning of exterior façade surfaces, the repair and cleaning of interior spaces, fixtures, furniture, and costs associated with boarding-up facades.
  - 2. Exclusions: Damage or theft of inventory, loss of business, payroll, and related operating costs (including rent, taxes, special assessments, and utilities) are not eligible for reimbursement.
  - 3. The City will subtract the amount of reimbursement received by the business or property owner for repair or insurance deductible costs through any other program (internal or external to the City) from the total cost of the repairs or insurance deductible used in the City's calculation of support through the Recovery Program.
- (2) Grant Terms:
  - (a) Grants may be up to \$25,000 per business location, but are limited to the lesser of the insurance deductible or the actual cost of the building repair.
  - (b) Recipient shall provide documentation that contractors have been paid, or the insurance deductible has been paid. Adequacy of such evidence in the discretion of the City.
- (3) Administration
  - (a) The program will be managed by the Department of Planning, Community, and Economic Development (DPCED).
  - (b) DPCED staff will prepare an application to request funds. The Application will require documentation that repairs have been made and either the contractor(s) or insurance company deductible has been paid.
  - (c) Authorization is granted to the DPCED Director, or their assigns, to approve each grant without further Council action.
  - (d) Each grant will be processed as a Purchase Order billed against this program account, and not a contract. Therefore, standard City contract requirements will not apply to these grant recipients. Any requirements for Purchase Orders will apply.
  - (e) Applications must be received by December 31, 2020, and will be processed in the order they are received, as long as funding is available.
  - (f) The DPCED Director is allowed to make modifications to the program without further Council action as long as the use of the funds are generally consistent with the purpose of the program in a form approved by the City Attorney."