



Legislation Text

File #: 22861, **Version:** 1

Fiscal Note

Res-11-00453 (Legistar #22235) was adopted by Council on 5/17/11 and authorized the expenditure of \$425,000 from the Brownfields Remediation Revolving Loan Fund. This Resolution removes a funding contingency, but does not change the proposed expenditure and authorization. The funding is from a State grant. No additional appropriation is required.

Title

Amending RES-11-00453, File No. 22235, regarding the Royster Clark BREWD grant to remove the contingency requiring the issuance of a building permit prior to funding.

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, RDC Development, LLC submitted an application for BREWD funding on February 4, 2011 for the demolition, remediation, and redevelopment of the property known as Royster Clark at the intersection of Cottage Grove Road and Dempsey Road; and,

WHEREAS, the Common Council awarded a grant of BREWD funds in an amount not to exceed \$425,000 to RDC Development, LLC ("Developer") for the demolition, remediation, and redevelopment of the Royster Clark property (the "Grant") on May 17, 2011 (RES-11-0453); and,

WHEREAS, said resolution contained a disbursement contingency that specified the following: a building permit has been issued to construct the first commercial building that will house the positions noted above, and evidence is furnished to the satisfaction of the City that construction will begin within a reasonable period of time after disbursement of the Grant; and,

WHEREAS, this provision was based upon requirements outlined within the BREWD program guidelines noted above; and,

WHEREAS, upon subsequently negotiating a BREWD Grant Agreement with RDC Development LLC, RDC Development LLC identified that this provision may prevent the project from moving forward as RDC Development LLC believes there will be a period of time between completion of demolition/remediation and the issuance of a building permit; and,

WHEREAS, RDC Development LLC will require reimbursement for demolition/remediation activities prior to issuance of a building permit given the period of time that is anticipated between completion of demolition/remediation and the issuance of a building permit; and,

WHEREAS, the costs of the required demolition/remediation and size of the property suggest that it is one of the most complicated brownfield redevelopment sites within the City, and is more complicated than most projects contemplated when the aforementioned BREWD program guidelines were developed; and,

WHEREAS, this complexity may necessitate granting an exception to the BREWD program guidelines with

regard to the issuance of a building permit soon after completion of demolition/remediation.

NOW THEREFORE BE IT RESOLVED that the disbursement contingencies outlined within RES-11-00453, File No. 22235, regarding the Royster Clark BREWD grant be amended to remove the following contingency: a building permit has been issued to construct the first commercial building that will house the positions noted above, and evidence is furnished to the satisfaction of the City that construction will begin within a reasonable period of time after disbursement of the Grant.