



## Legislation Text

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**File #:** 28704, **Version:** 1

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### Fiscal Note

The agreement will provide additional General Fund Revenues of \$36,000 annually derived from this additional Payment in Lieu of Taxes (PILOT) agreement.

### Title

Entering in to an agreement with and accepting a Payment in Lieu of Taxes (PILOT) from Dryden Terrace LLC, Future Wisconsin Housing Fund, Inc. as the Sole Member.

### Body

WHEREAS, Dryden Terrace LLC, with Future Wisconsin Housing Fund, Inc. as the Sole Member, owns and leases a number of dwelling units located at 1902 Londonderry Drive in the City of Madison (“the Project”) that will be rented to persons of low and moderate income; and

WHEREAS, Dryden Terrace LLC has requested that the City enter in to a PILOT agreement, such that Dryden Terrace LLC will make a Payment In Lieu of Taxes (PILOT) to the City of Madison in the amount of \$36,000, effective with the 2012 tax year; and

WHEREAS, the City wishes to formalize the PILOT agreement.

NOW, THEREFORE, BE IT RESOLVED, that the Common Council of the City of Madison, authorizes the City of Madison to accept the annual PILOT payment of \$36,000 from Dryden Terrace LLC for its apartment units located at 1902 Londonderry Drive, and hereby authorizes the Mayor and City Clerk to sign an agreement with Dryden Terrace, LLC, on the following terms and conditions:

1. In recognition of the value of government services and benefits provided by the City to the inhabitants and the property at 1902 Londonderry Drive, (“the Project”) Dryden Terrace LLC shall make an annual PILOT payment the City of Madison.
2. The amount of the PILOT payment to the City shall be \$36,000 annually.
3. Dryden Terrace LLC shall make payment to the City by January 31<sup>st</sup> of the year following the tax year for which the PILOT is calculated, beginning with 2012. This payment is required only to the extent that such funds are obtainable from HUD for such purposes.
4. The Agreement shall terminate on the day before the respective January 1st of the year during which any of the following events occurs:
  - (a) The City determines that the Project no longer qualifies for propret tax exemption.
  - (b) Enactment by the state of a mandatory payment for municipal services by owners of property exempt from the general property tax or similarly situated owners of exempt property.
  - (c) Repeal by the state of property tax exemption for the Project and other similarly situated property.
  - (d) Upon a determination by Dryden Terrace LLC that continuation of the Agreement is not in the best interests

of the Owner and after 30 days written notice to the City of such determination.