



## Legislation Text

**File #:** 63900, **Version:** 1

### Fiscal Note

The proposed resolution approves a development agreement between the City of Madison and Rule Enterprises, LLC and Movin' Out, Inc (collectively, the "Developer") for the sale and redevelopment of 1402 South Park Street. No City appropriation is required with the adoption of this resolution. A companion resolution (File ID 63091) amends the original loan agreement between the City and the Developer.

### Title

Approving a Development Agreement between the City of Madison and Rule Enterprises, LLC and Movin' Out, Inc for the sale and redevelopment of 1402 South Park Street, the former Truman Olson United States Army Reserve Center.

### Body

WHEREAS the City of Madison acquired 1402 South Park Street ("Property") from the United States Department of the Army; and

WHEREAS the City of Madison intends to comply with the intent of Legistar #27233 (Enactment No RES-12-00655) which states that the Property be used "for economic development purposes, including the demolition of the improvements located thereon and the extension of Cedar Street through the Property, as outlined in the City's Wingra BUILD Plan" thereby implementing the plan submitted to the Federal Government related to the redevelopment of the Property; and

WHEREAS the City of Madison as authorized by Legistar #55522 issued a Request for Proposals ("RFP") on May 15, 2019 (the "RFP") and received responses to the RFP on August 9, 2019; and

WHEREAS on December 3, 2019, the City of Madison as authorized by Legistar #58251 selected Rule Enterprises, LLC and Movin' Out, Inc (collectively, the "Developer") to undertake the redevelopment of the Property; and

WHEREAS as directed by Legistar #58251 City Staff have negotiated a Development Agreement (the "Agreement"), attached as Exhibit A, with the Developer to undertake said redevelopment of the Property; and

WHEREAS, the Agreement authorizes a donation of the Property by the City to the Developer; and

WHEREAS, the Agreement requires the Developer to construct a private development that consists of a grocery store of no less than twenty-four thousand (24,000) square feet one hundred and fifty (150) apartments with ninety-four (94) income restricted (the "Project"); and

WHEREAS, the Agreement commits the City to construct or cause to be constructed an east / west extension of Cedar Street along the northern boundary of the Property; and

WHEREAS, the Agreement requires that the City provide \$300,000 of Affordable Housing Funds ("AHF"), as further described in an Amendment to RES 20-00144 (FILE ID 59334) which is a companion to this Resolution, to the Project; and

WHEREAS, the Agreement requires that the Developer record a Housing Land Use Restriction on the Property that will set aside a minimum of sixty (60) units (the "Permanently Affordable Units") for those individuals whose income does not exceed 60% of the Dane County, Wisconsin area median income; and

WHEREAS, the Agreement includes a Grocery Land Use Restriction (the "Grocery Restriction") that requires that a portion of the Property (the "Grocery Unit") shall be occupied by a commercial enterprise in the business of operating a grocery store, and the use of the Grocery Unit shall be for a grocery store; and

WHEREAS, the Agreement requires that the Developer shall be responsible for all other costs of the Project; and

NOW THEREFORE BE IT RESOLVED, that the Common Council authorizes the Mayor and City Clerk to execute the Development Agreement between the City of Madison and the Developer; and

BE IT FURTHER RESOLVED that the Mayor and City Clerk are authorized to execute, deliver, and accept and record any and all documents, including but not limited to leases, deeds, and purchase and sale agreements, escrow agreements and take such other actions as shall be necessary or desirable to accomplish the purpose of the Agreement, including closing the transaction, and this resolution in a form approved by the City Attorney.