



Legislation Text

File #: 64975, **Version:** 2

Fiscal Note

The proposed resolution amends the CDA Redevelopment 2021 Adopted Capital Budget by creating a new Village on Park Redevelopment capital project and authorizing \$3,000,000 in capital improvements. The \$3,000,000 will be funded by TIF Proceeds from TID #42, which will be receiving a \$3,000,000 transfer of incremental revenue from TID #39 pursuant to Legistar File ID 64795 and 64796. File 64795 amends TID #42's project plan to authorize this expense and additional projects at the Village on Park.

Title

Amending the 2021 Adopted Capital Budget for the Community Development Authority - Redevelopment to create a Village on Park Redevelopment capital project and to authorize \$3,000,000 in capital improvements at the Village on Park by the Community Development Authority, to be funded by incremental revenue proceeds from Tax Increment District (TID) No. 42. (14th A.D.)

Body

WHEREAS, TID #42 was created by the City of Madison ("City") on July 3, 2012; and

WHEREAS, an amendment to the TID #42 project plan has been prepared for consideration and adoption by the City of Madison Common Council on May 4, 2021 (Legistar #64795); and

WHEREAS, the proposed TID #42 amendment includes \$11,200,000 of funding for redevelopment activities at the Village on Park, primarily focused on the creation of a Black Business Hub, affordable housing, and associated parking (collectively, "the Project"); and

WHEREAS, the City has committed to investing in Black businesses and entrepreneurship in South Madison; and

WHEREAS, the Urban League of Greater Madison intends to locate a Black Business Hub at the Village on Park; and

WHEREAS, the City of Madison recognizes that the capital improvements being funded with TIF for the Project serve a public purpose; and

WHEREAS, the Village on Park is wholly owned and operated by the Community Development Authority of the City of Madison ("CDA"); and

WHEREAS, the City provides financial services to the CDA under the Contract for Services, Materials and Equipment between the City and the Community Development Authority, amended on March 8, 1990; and

WHEREAS, the TIF funds required to pay for the initial planning, testing, and demolition costs for the Project are not included in 2021 Capital Budget for CDA Redevelopment, thus requiring a budget amendment; and

WHEREAS, the City is proposing that the City of Madison Joint Review Board (TIF Review Board) for TID #42 approve an additional \$12,100,000 of total additional project plan expenditure authority, including the \$11,200,000 of funding for the Project; and

WHEREAS, approximately \$3,000,000 of the \$11,200,000 to be provided to the Project is anticipated to be necessary for planned redevelopment activities during 2021, with the balance to be allocated through the 2022

budget process; and

WHEREAS, the aforementioned \$3,000,000 will be funded by a transfer of incremental revenue from TID #39 to TID #42, as described in Legistar File ID 64795 and 64796; and

WHEREAS, the proposed amendment to TID #42 authorizes said Project expenditures at the Village on Park, which is located within one-half mile of the existing TID boundary.

NOW, THEREFORE, BE IT RESOLVED that the CDA Redevelopment's 2021 Adopted Capital Budget is amended to create a Village on Park Redevelopment capital project and to appropriate \$3,000,000 for the initial planning, testing, and demolition costs associated with the project, which is to be funded by TIF proceeds from TID #42; and

BE IT FURTHER RESOLVED that the results of the parking study and a final parking count determination will be presented to the Common Council for approval before funds are expended to design any parking structure; and

BE IT FURTHER RESOLVED that the 2021 Adopted Capital Budget is amended to authorize a \$3,000,000 transfer of incremental revenue from TID #39 to TID #42, pursuant to Legistar File ID 64795 and 64796, and authorizing the \$3,000,000 expense in TID #42 for the Village on Park Redevelopment capital project; and,

BE IT FURTHER RESOLVED that the City recognizes that the \$11,200,000 of total TIF investment for capital improvements identified for the Project serves a public purpose.