Legislation Text

File #: 90968, **Version:** 1

Fiscal Note

The proposed resolution authorizes the terms of a land use restriction agreement (LURA) between the City and VMW Property Owner, LLC. The owner shall be required to provide an annual report to the City to confirm the owner's obligations under the LURA are being met. No City appropriation is required.

Title

Authorizing the terms of a land use restriction agreement regarding the development of the West Gilman Street Apartments located at 425 N Frances Street and 450 W Gilman Street by VMW Property Owner, LLC.

Body

WHEREAS, as a university city, the City of Madison has a need for affordable student housing.

WHEREAS, Section 28.071(2)(a)2.c. of the Madison General Ordinances (the "Ordinance") allows for buildings within the Downtown Height Map to exceed the maximum number of stories if a development includes affordable units rented to students enrolled at postsecondary educational institutions.

WHEREAS, the Ordinance requires that a property owner utilizing the story-bonus contemplated by the Ordinance voluntarily execute a land use restrictions agreement (LURA) for the benefit of the City guaranteeing that the property owner will provide the below market rate affordable units to students from households with low or moderate incomes for a specified period of time.

WHEREAS, VMW Property Owner, LLC, or its assigns (the "Developer") intends to construct a project located at 425 N Frances Street and 450 W Gilman Street described in the land use application contained in Legistar File 90381 submitted by Villas Student Housing, LLC (the “Project”), which would utilize the story bonus and require execution of a LURA establishing affordability requirements as contemplated by the Ordinance.

WHEREAS, the terms of the LURA, attached as Exhibit A, requires 34 of the Project’s 467 total beds receiving a 45% reduction in rent, specifically applying to four-bedroom units rented to four individuals.

WHEREAS, the LURA attached as Exhibit A would serve as both the LURA and contractual agreement contemplated by the Ordinance, and requires the Developer to abide by the terms of a memorandum of understanding between the City and the Board of Regents of the University of Wisconsin System regarding the referral of eligible students.

NOW, THEREFORE, BE IT RESOLVED that the City’s Common Council hereby authorizes the Mayor and Clerk to execute a LURA with the Developer on substantially the same terms as reflected in the attached Exhibit A in a form approved by the City Attorney's Office.