



## Legislation Text

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**File #: 101297, Version: 1**

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101297

SUBSTITUTE 1

011182, 041514

ALD. KOVAC AND MURPHY

Substitute resolution approving Amendment No. 2 to the Project Plan and authorizing expenditures for Tax Incremental District No. 48, Park East, in the 3rd, 4th and 6th Aldermanic Districts.

The Common Council created Tax Incremental District No. 48 in 2002 to fund the redevelopment of 64 acres of vacant land made available by the removal of the former Park East Freeway spur. The purpose of the Project Plan and subsequent Amendment No. 1 were to fund public infrastructure in the corridor to promote redevelopment of the vacant parcels. Amendment No. 2 will provide \$4,628,940 to fund a loan to the North End Phase II project, \$2,200,000 in additional funds for public infrastructure associated with the project and \$300,000 in administration costs as well as the release \$500,000 in previously authorized job training funds.

Whereas, On March 5, 2002, the Common Council of the City of Milwaukee ("Common Council") adopted File No. 011182, which approved a Project Plan and created Tax Incremental District No. 48, Park East, (the "District"); and

Whereas, On May 3, 2005, the Common Council adopted File No. 041514, which approved Amendment No. 1 to the Project Plan and an updated boundary for the District; and

Whereas, Pursuant to Section 66.1105(4)(h)(1), Wisconsin Statutes, on July 14, 2011, the Redevelopment Authority of the City of Milwaukee ("Authority") conducted a public hearing on Amendment No. 2 to the Project Plan for the District ("Amendment"), approved the Amendment by resolution and submitted the Amendment, a copy of which is attached to this Common Council File, to the Common Council for its approval; and

Whereas, Sections 66.1105(4)(g) and (h)(1), Wisconsin Statutes, provide that an amendment to a Project Plan shall be approved by the Common Council by the adoption of a resolution, which contains findings that such amendment is feasible and in conformity with the Master Plan of the City of Milwaukee ("City"); now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that it finds and determines as follows:

1. The Amendment retains the existing boundaries of the District and does not alter the number of properties within the District. Therefore, the findings made in File No. 041514, pursuant to Section 66.1105(4)(gm)1 and 4, Wisconsin Statutes, are reaffirmed.
2. The Amendment revises the project costs to be supported by the District and revises the forecast of District Cash Flow and District Financial Feasibility Analysis that is part of the Project Plan and makes related changes regarding the timing of project costs and methods of financing.
3. The project costs provided in the Amendment relate directly to promoting development consistent with the City's Master Plan and with the purpose(s) for which the District was created under Section 66.1105(4)(gm)4a, Wisconsin Statutes.
4. The percentage of the aggregate value of the equalized taxable property of the

District, plus the incremental value of all other existing Tax Incremental Districts, does not exceed the statutory maximum 12 percent of the aggregate value of total equalized value of taxable property within the City; and, be it

Further Resolved, That the Amendment is approved and the Project Plan for the District, as amended, is feasible, in conformity with the Master Plan for the City and will promote the orderly development of the City; and, be it

Further Resolved, That:

1. The City Clerk is directed to notify the Wisconsin Department of Revenue in such form as may be prescribed by said Department of the approval of this Amendment pursuant to the provisions of Section 66.1105(5), Wisconsin Statutes.
2. The City Comptroller is directed to transfer the sum of \$7,128,940, plus capitalized interest for two years, if necessary, from the Parent TID Account to the Project Accounts TD04880000 and TD04880002, for the purpose of providing the necessary funding for the Amendment.
3. The City Comptroller is directed to transfer the sum of \$500,000 from the Parent TID Account to the Department of Administration for a job training program.
4. The City Comptroller, in conjunction with the Commissioner of the Department of City Development, is directed to perform such acts and to create such accounts and subaccounts and make appropriate transfers, upon written request by the Department of City Development, for all revenue or expenditure activity under this resolution.
5. The proper City officials are directed to execute, on behalf of the City, a Cooperation Agreement with the Authority providing for the granting of funds to the Authority such that the Authority may make grants and the loan for the Project specified in the Amendment on the terms and conditions set forth in the Term Sheet for the Amendment, a copy of which is attached to this Common Council File; and, be it

Further Resolved, That the City does not plan to provide additional financial assistance to future phases of the North End project, or any other residential projects, in the downtown area. If requested to provide such assistance for a residential project (excluding the cost of adjacent public works or facilities open to the public pursuant to a public access easement), such assistance will be limited to 10 percent of the estimated assessed value of the project as determined by the Assessment Commissioner, following the determination by the Department of City Development and Office of the Comptroller that the project cannot proceed "but for" the provision of such financial assistance.

DCD/Redevelopment Authority

DAC:dac

07/13/11