

..Number

060404

..Version

PROPOSED SUBSTITUTE A

..Reference

970388

..Sponsor

ALD. BAUMAN

..Title

Substitute resolution relative to additional funding for Tax Incremental District No. 34 (Historic Third Ward) and funding a portion of the total cost through Contingent Borrowing, in the 4th Aldermanic District.

..Analysis

This substitute resolution authorizes \$1,578,483 in additional project costs within Tax Incremental District No. 34 using Contingent Borrowing Authority for a riverwalk project approved within the original Tax Incremental District.

..Body

Whereas, The Common Council of the City of Milwaukee ("Common Council") approved the creation of Tax Incremental District No. 34 ("TID No. 34") on January 1, 1997, via File No. 970388; and

Whereas, The Common Council, in accordance with Section 304-93 of the Milwaukee Code of Ordinances and the updated Economic Feasibility Study for TID No. 34 (a copy of which is attached to this Common Council File), desires to provide funding sufficient to cover all TID No. 34 public improvement costs in accordance with the Project Plan; and

Whereas, The updated Economic Feasibility Study demonstrates that TID No. 34 will generate private investment sufficient to cover \$1,578,483 in project costs plus capitalized interest and is projected to be retired by 2012; and

Whereas, Funds expended and provided to date are in the amount of \$3,722,167.85 plus capitalized interest and will be increased to \$5,300,650.85 plus capitalized interest of \$157,848, which includes the projects in the updated Economic Feasibility Study; and

Whereas, The Department of City Development desires to use \$1,736,331 of Contingent Borrowing Authority to fund a portion of the total project costs of \$5,300,650.85 of authorized TID No. 34 expenditures; and

Whereas, The 2006 Budget of the City of Milwaukee authorizes contingent borrowing in the form of general obligation bonds or notes for any purposes not contemplated at the time the budget was adopted in the sum of \$110,000,000; and

Whereas, Common Council File No. 051144 authorized \$140,004,734 of General Obligation Bonds for Tax Incremental District ("TID") purposes and such amount anticipated the use of \$60,000,000 of Contingent Borrowing Authority; and

Whereas, Common Council File No. 051132 authorized the sale and issuance of General Obligation Corporate Purpose Bonds, which included \$140,004,734 of bonds for TID purposes and included the anticipated use of \$60,000,000 of Contingent Borrowing Authority; and

Whereas, The Common Council wishes to authorize Contingent Borrowing Authority in the amount of \$1,736,331 to provide funding for TID No. 34 expenditures; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that the Tax Incremental District No. 34 expenditure limit is established at \$5,300,650.85 plus capitalized interest (estimated at \$157,848); and, be it

Further Resolved, That the project costs relate directly to promoting development consistent with the City's Master Plan and with the purpose(s) for which the TID is created under Section 66.1105(4)(gm)4.a., Wisconsin Statutes; and, be it

Further Resolved, That the City Comptroller is authorized and directed to transfer the sum of \$1,578,483 plus capitalized interest (estimated at \$157,848), from the Parent TID Account to Project Account No. TD03480000, raising the Project Account to \$5,300,650.85 (plus capitalized interest estimated at \$157,848) for the purpose of providing funds necessary to implement the Project Plan; and, be it

Further Resolved, That the Common Council authorizes and declares its purpose to issue general obligation bonds in an amount not to exceed \$1,736,331 to pay for TID No. 34 expenditures using Contingent Borrowing Authority.

..Drafter

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07/20/06