

LRB-FISCAL REVIEW SECTION ANALYSIS

JUNE 11, 2001 AGENDA

ITEM 2, FILE 010213

ECONOMIC DEVELOPMENT COMMITTEE

JAMES CARROLL

File #010213 is a substitute resolution approving the Public Improvement Development and Maintenance Agreement for Business Improvement District (BID) No. 25 East Capitol Drive Streetscaping, between the City of Milwaukee and the Riverworks BID.

Background

1. The Department of City Development uses two capital funds to assist Business Improvement Districts with their capital projects. The Business Improvement District Fund was developed to allow a BID to borrow a portion of the cost of the project through the City and repay the City over time. Repayments include both principal and interest. The fund is used in conjunction with the Neighborhood Commercial District Improvement Fund, which is used to fulfill the City's match for capital projects in Business Improvement Districts.
2. The Riverworks BID is planning a Streetscaping Project along East Capitol Drive between Humboldt Boulevard and 2nd Street.
3. On May 30, 2001, the Common Council adopted, resolution #001366 authorized the City to contribute, from the Neighborhood Commercial District Improvement Fund, up to 50%, not to exceed \$35,000, for the costs associated with the development of a detailed design plan for the streetscape project.

Discussion

1. This resolution approves the Public Improvement Development and Maintenance Agreement for the Riverworks BID.
2. BID No. 25 streetscaping project includes gateway structures, plaza walls, stamped and colored concrete, landscaping and fencing.
3. The resolution authorizes the expenditure of \$500,000 from Business Improvement District Fund as a loan to the BID and \$500,000 from the Neighborhood Commercial District Street Improvement Fund as the City's share of the project's cost.
4. The Agreement commits BID No. 25 to repay \$500,000 plus interest to the City over a 15-year period. The interest rate will be the estimated interest rate prevailing on the market as of the first date of the City contribution.

Fiscal Impact

The resolution authorizes the expenditure of \$500,000 from Business Improvement District Fund as a loan to the BID and \$500,000 from the Neighborhood Commercial District Street Improvement Fund as the City's share of the project's cost.

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LRB-Fiscal Review
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