

RESEARCH AND ANALYSIS SECTION ANALYSIS

JUNE 12, 2007 AGENDA

ZONING, NEIGHBORHOODS & DEVELOPMENT COMMITTEE

ITEM 6, FILE 070203

EMMA J. STAMPS

File No. 070203 is a resolution dissolving Tax Incremental District Nos. 25 (Calumet Woods Business Park), 32 (King Drive) and 36 (Granville Park) and authorizing the City Treasurer to distribute excess incremental revenue to overlying taxing districts.

Background and Discussion:

1. This resolution dissolves the 3 districts listed below because their Project Plans have been implemented, all costs have been incurred and they have generated sufficient revenue to retire all project costs including indebtedness outstanding for the respective districts.
 - TID No. 25, Calumet Woods Business Park (former Midland Industrial Business Park)
 - TID No. 32, King Drive, adopted 9/24/1996
 - TID No. 36, Granville Park, adopted 4/7/1998

Wisconsin Department of Revenue data shows that these districts had a combined incremental property value of \$65,790,800, as of 2006.

2. As of December 31, 2006, TID No. 25 levied \$2,525,439 or \$165,638 more than estimated project costs; TID No. 32 levied \$1,101,59 or \$488,363 more than estimated project costs; and TID No. 36 levied \$5,651,635 or \$1,541,341 more than estimated project costs. In total the \$9,268,669 in tax increments exceeded estimated project costs by \$2,195,342.
3. The Comptroller has until year-end 2007 to introduce a resolution declaring the \$2,195,342 excess revenue, which would also authorize expenditure authority for general levy purposes.

Fiscal Impact

If adopted, Resolution File 070203 will dissolve TID Nos. 25, 32 and 36. Further Common Council action is necessary to authorize distribution and expenditure of funds to the City of Milwaukee and other taxing jurisdictions – see spreadsheet on next page.

TIDS DISSOLVED PURSUANT TO RESOLUTION FILE NO. 070203

	Midland Industrial Park	Walnut St./ King Drive	Granville Park	
Authorizing Common Council Resolution No.	932013	960693	971717	
Adopted	6/28/1994	9/24/1996	4/7/1998	
	<u>TID-25</u>	<u>TID-32</u>	<u>TID-36</u>	<u>TOTAL</u>
G.O.B. Financed Expenditures	1,651,699	910,737	3,020,818	5,583,254
G.O.B. Lifetime-to-Date Interest	555,633	211,647	826,788	1,594,068
Add Scheduled Bond Interest Costs- 2007 to Maturity	182,190	169,573	549,915	901,678
Cumulative City of Milwaukee Carrying Costs/ (Earnings) on Yearly Deficit or Surplus	(49,320)	(108,059)	(335,660)	(493,039)
Total Project Costs	2,340,202	1,183,898	4,061,861	7,585,961
Project Revenues	-	(580,374)	-	(580,374)
Change in Principal Debt Service Requirements as a Result of 1985,1996, 2001, 2002, 2003 & 2005 Debt Refunding	9,599	9,708	48,433	67,740
Net Project Costs/Amount to be Recovered through Tax Increments	2,349,801	613,232	4,110,294	7,073,327
TAX INCREMENTS REQUIRED				
Amounts Levied:				
1995	2,685	-	-	2,685
1996	66,531	-	-	66,531
1997	112,797	28,819	-	141,616
1998	295,439	63,035	-	358,474
1999	148,183	66,077	23,441	237,701
2000	250,179	101,091	497,195	848,465
2001	265,404	104,660	636,909	1,006,973
2002	279,016	134,485	765,217	1,178,718
2003	268,494	136,452	855,663	1,260,609
2004	277,020	146,757	904,698	1,328,475
2005	279,125	155,861	953,570	1,388,556
2006	270,566	164,358	1,014,942	1,449,866
Total Tax Increments Levied at Dec. 31, 2006	2,515,439	1,101,595	5,651,635	9,268,669
Net Amount to be Recovered Through Future Tax Increments	(165,638)	(488,363)	(1,541,341)	(2,195,342)

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LRB-Fiscal Review Section
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