

..Number

061021

..Version

PROPOSED SUBSTITUTE B

..Reference

011182, 041514, 051132, 051144

..Sponsor

ALD. D'AMATO

..Title

Substitute resolution authorizing additional funding and Contingent Borrowing for Tax Incremental District No. 48 (Park East) and approving the terms of a Development Agreement.

..Analysis

This substitute resolution authorizes \$6,023,936 in additional project costs and authorizes Contingent Borrowing within Tax Incremental District No. 48 for a riverwalk and public infrastructure project approved within the original Tax Incremental District. This substitute resolution also authorizes a Development Agreement between the City of Milwaukee, the Redevelopment Authority of the City of Milwaukee and USL Land LLC for said riverwalk and public infrastructure project.

..Body

Whereas, The Common Council of the City of Milwaukee ("Common Council") approved the creation of Tax Incremental District No. 48 ("TID No. 48") on March 5, 2002, via File No. 011182 and amended such TID on May 3, 2005, via File No. 041514; 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. 48, desires to provide funding sufficient to cover all TID No. 48 public improvement costs in accordance with the Project Plan; and

Whereas, The updated Economic Feasibility Study, a copy of which is attached to this Common Council File, demonstrates that TID No. 48 will generate private investment sufficient to cover \$26,589,224 in project costs and capitalized interest and is projected to be retired by 2029; and

Whereas, Funds expended and provided to date are in the amount of \$19,962,894, including capitalized interest, and will be increased to \$26,589,224, including capitalized interest, which includes the projects within the updated Economic Feasibility Study; and

Whereas, The Department of City Development desires to use \$6,626,330 of Contingent Borrowing Authority to fund a portion of the total project costs of \$26,589,224 of authorized TID No. 48 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 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 Bonds, which included \$140,004,734 of bonds for TID

purposes and 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 \$6,626,330 to provide funding for TID No. 48 expenditures; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that it authorizes and declares its purpose to issue General Obligation Bonds in an amount not to exceed \$6,626,330, to pay for TID No. 48 expenditures using Contingent Borrowing Authority; and, be it

Further Resolved, That \$6,626,330 of the Contingent Borrowing Authority for TID's contemplated in Common Council File Nos. 051144 and 051132 is authorized to be used for paying the TID No. 48 expenditures; and, be it

Further Resolved, That the TID No. 48 expenditure limit is established at \$26,589,224, including capitalized interest; 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 \$6,023,936, plus capitalized interest estimated at \$602,394, from the Parent TID Account to Project Account No. TDO4880000, raising the Project Account to \$26,589,224, including capitalized interest, for the purpose of providing funds necessary to implement the Project Plan; and, be it

Further Resolved, That the proper City officials are directed to execute a Development Agreement and such other documents and instruments as may be necessary to implement the Project, all in accordance with the Term Sheet, a copy of which is attached to this Common Council File.

..Drafter
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12/01/06