

***LEGISLATIVE REFERENCE BUREAU FISCAL ANALYSIS***

**COMMUNITY & ECONOMIC DEVELOPMENT COMMITTEE**

**SEPTEMBER 20, 2007**

**Item 12, File #070719**

File Number 070719 is a resolution authorizing an expenditure and approving a Public Improvement Development and Maintenance Agreement for Business Improvement District No. 37 (30<sup>th</sup> Street Industrial Corridor).

**Background**

1. On October 18, 2005, the Common Council adopted File Number 050709, a resolution creating Business Improvement District No. 37 (30<sup>th</sup> Street Industrial Corridor) and approving this District's first-year operating plan.
2. The first-year operating plan for BID No. 37 calls for the BID board to enter into an agreement with the City for the financing, installation and maintenance of a mutually-acceptable streetscape improvement project within the boundaries of the BID.

**Discussion**

1. The BID No. 37 board and City departments have developed a term sheet for the Public Improvement Development and Maintenance Agreement for the BID No. 37 streetscaping project, which will focus on Capitol Drive between 27<sup>th</sup> and 35<sup>th</sup> streets, as well as selected intersections on 27<sup>th</sup> and 35<sup>th</sup> streets near Capitol Drive. This agreement calls for the BID, as the developer, to undertake a streetscaping project consisting of enhanced Milwaukee-style and harp lighting, decorative crosswalk and bump-out colored pavement, street furniture, trash receptacles, commercial district gateway improvements and extensive landscaping.
2. The agreed-upon improvements will be funded with a \$500,000 loan from the Department of City Development's Business Improvement Districts capital account and a \$500,000 matching grant from the Department's Neighborhood Commercial District Street Improvement Fund (capital account).
3. The BID board will repay the \$500,000 loan, plus interest, over a 20-year period through its BID assessments.
4. City forces will perform the paving and streetlighting components of the project. The BID board will be responsible for other improvements, such as street furniture and gateway signage, but will be reimbursed for the costs of those improvement from the project accounts.

**Fiscal Impact**

1. This resolution will transfer \$500,000 from the DCD Business Improvement Districts capital account and \$500,000 from the DCD Neighborhood Commercial District Street Improvement Fund to the appropriate project accounts to fund the \$1,000,000 streetscaping project set forth in BID No. 37's first-year operating plan.
  
2. The City will recover the loan portion of these funds (\$500,000 plus interest) through annual assessments paid by property owners within BID No. 37.

Prepared by: Jeff Osterman, X2262  
LRB-Research & Analysis Section  
September 18, 2007

cc: Rocky Marcoux  
Rhonda Manuel  
Tom Croasdaile  
Marianne Walsh