

## LRB-RESEARCH AND ANALYSIS SECTION ANALYSIS

JUNE 7, 2006 AGENDA  
PUBLIC WORKS COMMITTEE

ITEM 25, FILE 060194  
EMMA J. STAMPS

File #060194 is a substitute resolution authorizing and directing the Commissioner of Public Works to enter into and execute an Intergovernmental Cooperative Agreement with the Village of West Milwaukee to improve a small portion of West Mitchell Street at the CP Railroad crossing just east of Miller Park Way.

### Background

1. On April 13, 2004, Common Council File No. 031578 approved the creation of developer financed Tax Incremental District No. 54 (Stadium Business Park), its Project Plan, a Cooperation Agreement for implementing the Project Plan (contained in term sheets), and funding up to \$2.45 million.
2. TID No. 54 boundaries consists of a single 17.6-acre site at 1745 S. 38<sup>th</sup> Street, located on the north side of W. Mitchell St., adjacent to Miller Park Way and approximately one-half mile south of Miller Park and I-94.
3. The developer, Real Estate Recycling, LLC of Minneapolis is constructing 4 multi-tenant, light industrial and distribution facilities, each facility measuring approximately 50,000 s.f., for office and warehouse/projection space with drive-in loading docks and decorative masonry.

### Discussion

1. The Village of West Milwaukee wishes to improve a portion of W. Mitchell Street at the CP Railroad crossing to serve redeveloping areas of West Milwaukee and the City of Milwaukee *adjacent to* the TID No. 54 project area (DPW letter dated 6/2/2006).
2. DCD's interpretation of State TIF Laws indicates that TID No. 54 can fund the proposal.
3. West Milwaukee estimates the development will cost \$185,000, to be shared by the City of Milwaukee (\$31,000) and the Village of West Milwaukee (\$154,000).
4. File No. 060194 did not contain the Cost Sharing Agreement as noted at the time of this writing. A review of the original TID No. 54 Project Plan filed with Common Council File 031578 did not reveal the Village of West Milwaukee as a participant in the original developer financed TID.
5. File No. 060194 authorizes and directs the Commissioner of Public Works to enter into and execute the Cost Sharing Agreement for a project to improve W. Mitchell Street at an estimated \$185,000, whereby the Village of West Milwaukee is responsible for \$154,000, and the City of Milwaukee is responsible for \$31,000.

## **Fiscal Impact**

The Village of West Milwaukee prepared the project cost estimates accordingly:

\$154,000 – Village of West Milwaukee  
\$ 31,000 – City of Milwaukee (TID No. 54, via account no. TD05480002)  
\$185,000 – Estimated Total Project Cost

The DPW and DCD stated that the \$31,000 City's share has been *pre-encumbered* in TID account number TD05480002. The full Common Council must first adopt File No. 060194 before the monies can be formally encumbered (earmarked) from the \$2.45 million Council approved TID budget allocations.

cc: Marianne Walsh      James Scherer      Mark Nicolini      Prepared by: Emma J Stamps x 8666  
W. Martin Morics      Rocky Marcoux      Joe'Mar Hooper      LRB-Fiscal Review Section  
Craig Kammholz      Martha Brown      June 5, 2006