



Legislation Text

File #: 030974, Version: 1

030974
SUBSTITUTE 1

ALD. DONOVAN AND MURPHY

Substitute resolution approving a Project Plan and creating Tax Incremental District No. 53 (Menomonee Valley Business Park) and approving the terms of a Cooperation Agreement to implement the Project Plan.

This substitute resolution approves a tax incremental district Project Plan to redevelop a 260-acre area on the west side of the Menomonee Valley, focusing on the former CMC Shops site, and adjacent underutilized industrial areas. The Project Plan provides for approximately \$20.8 million in project expenditures, of which approximately \$16 million is to be financed through the issuance of Redevelopment Authority Revenue Bonds secured by the moral obligation of the City of Milwaukee. Interim financing for a portion of the project costs is to be provided through a HUD Section 108 Loan.

Whereas, Chapter 105 of the Laws of 1975 of the State of Wisconsin with amendments from other chapters of said Laws created Section 66.1105, Wisconsin Statutes, titled "Tax Increment Law"; and

Whereas, Section 66.1105(4) of the Tax Increment Law sets forth certain criteria that the Common Council of the City of Milwaukee ("Common Council") and the Redevelopment Authority of the City of Milwaukee ("Authority") must follow to create a Tax Incremental District ("District" or "TID") and approve a Project Plan for the District; and

Whereas, Pursuant to Section 66.1105(4) (a) through (gm), Wisconsin Statutes, the Authority conducted a public hearing on the Project Plan for the Menomonee Valley Business Park Tax Incremental District, designated the boundaries of the District, recommended that the District be created and submitted such recommendation to the Common Council for approval with a proposed Project Plan for Tax Incremental District No. 53, City of Milwaukee (the "Plan"), a copy of which is attached to this Common Council File; and

Whereas, Under the provisions of Section 66.1105(4) (gm)4.a., Wisconsin Statutes, not less than 50 percent, by area, of the real property within a proposed District must qualify as either a "blighted area" within the meaning of Section 66.1105(2) (a), Wisconsin Statutes; an area "in need of rehabilitation or conservation work" within the meaning of Section 66.1337(2m) (b), Wisconsin Statutes; or must be suitable for "industrial sites" within the meaning of ss 66.1101, Wisconsin Statutes, and be zoned for industrial use; and

Whereas, Property standing vacant for an entire 7-year period immediately preceding adoption of this resolution and not suitable for "industrial sites" shall not exceed 25 percent, by area, of the District; and

Whereas, Based upon field survey and available public information and records, 51.8 percent, by area, of the real property in the District, as identified in Exhibit 1 of the Plan, consists of properties, which in the aggregate, are a "blighted area" within the meaning of Section 66.1101 and, therefore, satisfies the requirements of Section 66.1105 (4) (gm)4.a., Wisconsin Statutes; and

Whereas, Based upon available public information and records, 21.8 percent of the real property in the District, as identified in Exhibit 1 of the Plan, consists of property that is "vacant" within the meaning of Section 66.1105; and

Whereas, The Plan contains statements and other factual information indicating that the improvement of such area is likely to enhance significantly the value of real property in the District; that project costs directly serve to promote development of the District consistent with the purpose(s) for which the District is created under Section 66.1105(4)(gm)4.a., Wisconsin Statutes, and that the aggregate value of equalized taxable property of the District plus all existing Districts has been determined to be less than 7 percent of the total value of equalized taxable property within the City of Milwaukee (the "City"); now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, regarding Tax Incremental District No. 53, City of Milwaukee, that it finds and determines as follows:

1. The District is a "blighted area" within the meaning of Section 66.1105(4)(gm)4.a., Wisconsin Statutes.
2. The improvement and/or redevelopment of such area, as hereinafter provided, is likely to enhance significantly the value of substantially all of the other real property in such District.
3. Project costs relate directly to promoting development consistent with the City's Master Plan and with the purpose(s) for which the District is created under Section 66.1105(4)(gm)4.a., Wisconsin Statutes.
4. The percentage of the aggregate value of the equalized taxable property of the District plus all existing Districts does not exceed the statutory maximum 7 percent of the aggregate value of total equalized value of taxable property within the City; and, be it

Further Resolved, That TID No. 53, City of Milwaukee, is created as of January 1, 2004 and that the boundaries of the District recommended by the Authority are approved as described and more precisely set forth in the Plan; and, be it

Further Resolved, That the Plan is approved as the Project Plan for said District and that the Plan is feasible, in conformity with the Master Plan for the City and will promote the orderly development of the City; and, be it

Further Resolved, That the proper City officials are authorized and directed to enter into a Cooperation Agreement for the purposes of implementing the Plan on terms substantially in accordance with the Term Sheet for TID No. 53, a copy of which is attached to this Common Council File; and, be it

Further Resolved, That:

1. The City Clerk is authorized and directed to apply to the Wisconsin Department of Revenue for a "Determination of Tax Increments and Tax Incremental Base," for the District pursuant to the provisions of Section 66.1105(5), Wisconsin Statutes.
2. Pursuant to the provisions of Section 66.1105(5)(f), Wisconsin Statutes:
 - a. The Assessment Commissioner is authorized and directed to identify upon the assessment

roll, returned and examined under Section 70.45, Wisconsin Statutes, those parcels of property which are within TID No. 53, City of Milwaukee, specifying thereon the name of the District.

b. The City Clerk is authorized and directed to make notations on the tax roll for the District similar to those required to be made under Section 70.65, Wisconsin Statutes.

c. The Commissioner of City Development, or her designee, is authorized and directed to act on behalf of the Common Council as coordinator of all Plan activities, which in her judgment are necessary to carry out the Plan and the intent of this resolution.

3. A variance is authorized from the procedures of Common Council File No. 68-461-x, being the Guidelines for the Control of Capital Expenditures, and directs the City Comptroller to establish the appropriate accounts within the TID No. 53 project account, No. 0336-1910-TD05380000, to appropriate tax increment collections equal to the total required to pay the City Contribution to the Authority as provided in the Term Sheet for this District, in such amounts as set forth in the Plan, as shall be necessary to implement the Plan.

4. The City Comptroller, in conjunction with the Commissioner of City Development, is authorized to establish all accounts and subaccounts and make all appropriation transfers upon request by the Department of City Development for all revenue or expenditure (estimated at \$20,800,000) activity under this resolution.

DCD:JS:js

11/12/03