



Legislation Text

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SUBSTITUTE 1

051132, 051144

ALD. WITKOWIAK

Substitute resolution approving a Project Plan and creating Tax Incremental District No. 68 (Fifth Ward - First Place), authorizing Contingent Borrowing and approving the terms of a Riverwalk Development Agreement, in the 12th Aldermanic District.

Adoption of this substitute resolution will fulfill statutory requirements for approving a Project Plan and creating a Tax Incremental District to assist in the financing of public improvements, riverwalks and the restoration and adaptive reuse of certain existing buildings in the Fifth Ward along the Milwaukee River west of South First Street and including South First Street. This resolution also authorizes the Commissioner of City Development, other public officials and the Redevelopment Authority of the City of Milwaukee to enter into a Riverwalk Development Agreement and to take such actions as are necessary to accomplish the objectives of the Project Plan and also authorizes the City Comptroller to create the necessary and appropriate subaccounts for Plan implementation.

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 ("Redevelopment 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 Redevelopment Authority conducted a public hearing on the Project Plan for TID No. 68 (Fifth Ward - First Place), 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 TID No. 68 ("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 Section 66.1101, Wisconsin Statutes, and be zoned for industrial use; and

Whereas, Based upon field survey and available public information and records, more than 50 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, 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 the incremental value of all existing Districts has been determined to be less than 12 percent of the total value of equalized taxable property within the City of Milwaukee ("City"); and

Whereas, Common Council File No. 051132 authorized the sale and issuance of General Obligation Corporate Purpose Bonds, which included \$140,004,734 of bonds for Tax Incremental Purposes and the anticipated use of \$60,000,000 of Contingent Borrowing Authority; and

Whereas, The Common Council is desirous of authorizing Contingent Borrowing in the amount of \$4,843,263.06 to provide funding for TID No. 68 expenditures; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, regarding Tax Incremental District No. 68, 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 the incremental value of all existing Districts does not exceed the statutory maximum 12 percent of the aggregate value of total equalized value of taxable property within the City; and, be it

Further Resolved, That TID No. 68 is created as of January 1, 2007, and that the boundaries of the District recommended by the Redevelopment 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:

1. The City Clerk is 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 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. 68, City of Milwaukee, specifying thereon the name of the District.

b. The City Clerk is 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 his/her designee, is directed to act on behalf of the Common Council as coordinator of all Plan activities, which in his/her judgment are necessary to carry out the Plan and the intent of this resolution.

3. The City Comptroller is directed to transfer the sum of \$4,402,966.06, plus capitalized interest (estimated at \$440,297), from the Parent TID Account to Project Account No. TDO__80000, for the purpose of providing funds necessary to implement the Plan using Contingent Borrowing Authority approved under Common Council File No. 051144.

4. The City Comptroller, in conjunction with the Commissioner of City Development, is directed to perform such acts and to create such Tax Incremental accounts and subaccounts and to make appropriate transfers upon written request by the Department of City Development for all revenue or expenditure activity under this resolution.

5. The proper City officials are directed to enter into a Riverwalk Development Agreement on terms substantially in accordance with those set forth in the Term Sheet, a copy of which is attached to this Common Council File.

DCD/Redevelopment Authority

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11/20/06