



Legislation Text

File #: 101492, **Version:** 1

101492
SUBSTITUTE 1

ALD. KOVAC AND MURPHY

Substitute resolution authorizing additional funding for Tax Incremental District No. 48, Park East, and approving the terms of a Development Agreement for the North End Phase II development, in the 3rd Aldermanic District.

This substitute resolution approves the terms of a Development Agreement and increases the funding of TID No. 48 by \$4,723,268 for the purpose of providing a loan for construction of the North End Phase II development.

Whereas, The Common Council of the City of Milwaukee ("Common Council") approved the creation of Tax Incremental District No. 48 ("TID No. 48" or "TID") on March 5, 2002, via File No. 011182, and amended such TID on May 3, 2005, via File No. 041514, and increased the funding of such TID on April 9, 2008, via File No. 071392, May 27, 2009, via File No. 081717, and November 3, 2009, via File No. 090687; and

Whereas, The Common Council, in accordance with Section 304-93 of the Milwaukee Code of Ordinances, desires to provide funding sufficient to cover all TID No. 48 improvement costs, including direct assistance to private projects in the form of loans; and

Whereas, USL Phase I Land, LLC desires to construct a 2-building, mixed-use development - the North End Phase II -- with 155 rental apartments, 227 parking spaces and 2,282 square feet of retail space on the block bounded by Water Street, the Milwaukee River, Pleasant Street and Milwaukee Street; and

Whereas, The Common Council, in accordance with Section 304-93 of the Milwaukee Code of Ordinances, desires to enter into a Development Agreement among the City of Milwaukee, the Redevelopment Authority of the City of Milwaukee and USL Land Phase I, LLC, to provide a \$2.2 million infrastructure grant and a junior construction/permanent loan in the amount of \$4,723,268 for the proposed North End Phase II project in accordance with a Term Sheet, a copy of which is attached to this Common Council File; and

Whereas, To date, funds provided to TID No. 48 are in the amount of \$32,260,741, plus capitalized interest, and will be increased to \$36,984,009, plus capitalized interest, with the addition of TID funding for the North End Phase II development; now, therefore, be it

Resolved, That the Common Council of the City of Milwaukee authorizes a \$2.2 million infrastructure grant for the North End Phase II project (accelerating previously-authorized infrastructure funding) and an increase in funding for TID No. 48 totaling \$4,723,268, and approves the Term Sheet for the North End Phase II Development

Agreement; and, be it

Further Resolved, That the Common Council authorizes up to, not to exceed, \$4,723,268 in the form of a junior construction/permanent loan for the North End Phase II; and, be it

Further Resolved, That the TID No. 48 expenditure limit is established at \$36,984,009, plus 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 was created under Section 66.1105(4)(gm)4.a., Wisconsin Statutes; and, be it

Further Resolved, That the City Comptroller is directed to transfer the sum of \$4,723,268, plus capitalized interest, from the Parent TID Account to Project Account No. TDO4880000, raising the Project Account to \$36,984,009, plus capitalized interest, for the purpose of providing funds necessary to implement the Project Plan; and, be it

Further Resolved, That the Commissioner of the Department of City Development is directed to enter into contracts and agreements as necessary to carry out said improvements.

LRB126496-2
Jeffrey D. Osterman
04/15/2011

Clerical correction- 4-18-11- tb