



Legislation Text

File #: 100642, Version: 1

100642
SUBSTITUTE 1
941695

ALD. WITKOWIAK

Substitute resolution approving Amendment No. 1 to the Project Plan and authorizing expenditures for Tax Incremental District No. 27, Clarke Square, in the 12th Aldermanic District.

This resolution approves Amendment No. 1 to the Project Plan for TID No. 27 which will provide \$400,000 of financing for the development of a 6500 s.f. retail facility and adjacent site improvements at 1538 thru 1574 W. National Ave. The site improvements will also serve a second phase retail and office building planned to the east of the initial retail facility. Funding will be provided in the form of an interest-free loan, payable over 17 years.

Whereas, The Common Council of the City of Milwaukee ("Common Council") on April 25, 1995, adopted File No. 941695 approving a Project Plan and creating Tax Incremental District No. 27, Clarke Square ("District"); and

Whereas, The Tax Incremental District (TID) No. 27 was created to fund site assembly and environmental remediation for the Pick n Save Mega Mart at S. 18th St. and W. National Ave; and

Whereas, The 112,000 s.f. store filled a significant need for a full-service grocery store in the Clarke Square neighborhood; and

Whereas, The project also includes a food court, clinic / pharmacy, bank, liquor store, optical center and day care center; and

Whereas, TID No. 37 has incurred costs of \$2.8 million; and

Whereas, The district generates approximately \$225,000 in annual incremental revenue, and is currently expected to close-out following the 2012 levy; and

Whereas, Amendment No. 1 to the Project Plan for TID No. 27 will provide \$400,000 of financing for the development of a 6500 s.f. retail facility and adjacent site improvements at 1538 thru 1574 W. National Ave.; and

Whereas, The site improvements will also serve a second phase retail and office building planned to the east of the initial retail facility; and,

Whereas, Funding will be provided in the form of an interest-free loan, payable over 17 years; and

Whereas, The site is currently vacant and has long been underutilized; and

Whereas, This site is not located within TID 27, but is within one-half mile of the district boundary; and

Whereas, Pursuant to Section 66.1105(4)(h)(1), Wisconsin Statutes, on September 26, 2010, the Redevelopment Authority of the City of Milwaukee conducted a public hearing on

Amendment No. 1 to the Project Plan for the District ("Amendment"), a copy of which is attached to this Common Council File; and

Whereas, Section 66.1105(4)(g) and (h)(1), Wisconsin Statutes, provides that an amendment to a Project Plan shall be approved by the Common Council with the adoption of a resolution, which contains findings that such amendment is feasible and in conformity with the Master Plan of the City of Milwaukee ("City"); now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that it finds and determines as follows:

1. The Amendment retains the existing boundaries of the District and does not alter the number of properties within the District. Therefore, the findings made in File No. 941695, pursuant to Section 66.1105(4)(gm)1 and 4, Wisconsin Statutes, are unchanged.
2. The Amendment revises the project costs to be supported by the District and revises the forecast of District Cash Flow and District Financial Feasibility analysis that is part of the Project Plan and makes related changes regarding the timing of project costs and methods of financing.
3. Project costs provided in the Amendment relate directly to promoting development consistent with the City's Master Plan and with the purpose(s) for which the District was created under Section 66.1105(4)(gm)4a, Wisconsin Statutes.
4. The percentage of the aggregate value of the equalized taxable property of the District plus the incremental value of all other existing Tax Incremental 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 the Amendment is approved and the Project Plan for said District, as amended, 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 notify the Wisconsin Department of Revenue in such form as may be prescribed by said Department of the approval of this Amendment pursuant to the provisions of Section 66.1105(5), Wisconsin Statutes.
2. The City Comptroller is directed to transfer the sum of \$402,000, plus capitalized interest for two years, if necessary, from the Parent TID Account to the Project Account No. TD02780002, for the purpose of providing the necessary funding for Amendment No. 1 to the Project Plan for Tax Incremental District No. 27.
3. The City Comptroller, in conjunction with the Commissioner of the Department of City Development, is directed to perform such acts and to create such accounts and subaccounts and make appropriate transfers upon written request by the Department of City Development for all revenue or expenditure activity under this resolution.
4. The proper City officers are authorized and directed to execute, on behalf of the City, a Cooperation Agreement with the Redevelopment Authority providing for the granting of funds to the Authority such that the Authority may make a loan for the Project specified in Amendment No. 1, on the terms and conditions set forth in the Term Sheet attached to Amendment No. 1.

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