



Legislation Text

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231456

ORIGINAL

011182, 041514, 101297, 151547, 160418, 221817, 090325 and 140437

ALD. BAUMAN

Resolution approving Amendment No. 6 to the Project Plan, authorizing expenditures for Tax Incremental District No. 48 (Park East), in the 3rd, 4th and 6th Aldermanic Districts and to allow donations to Tax Incremental District No. 74 (North 35th Street and West Capitol Drive), in the 7th Aldermanic District. Tax Incremental District No. 48 was created in 2002 to fund public infrastructure to encourage redevelopment of the former Park East Freeway Corridor. In 2011, the District was amended to provide loans to the North End and Moderne apartment projects. In 2016, the District was amended to fund Riverwalk improvements. In 2023, the District was amended to provide funding for the Vel R. Phillips Plaza and other infrastructure improvements. Tax Incremental District No. 74 (North 35th Street and West Capitol Drive) was created in 2009 to assist in the redevelopment of the former Tower Automotive site and was amended in 2014 to reset its base value. This proposed Amendment No. 6 to TID No. 48 would provide up to \$5,750,000 for public infrastructure improvements, \$250,000 for administration and up to \$11,750,950 in donations to TID No. 74.

Whereas, On March 5, 2002, the Common Council of the City of Milwaukee ("Common Council") adopted File No. 011182, which approved a Project Plan and created Tax Incremental District No. 48 (Park East) (the "District"); and

Whereas, On May 3, 2005, the Common Council adopted File No. 041514, which approved Amendment No. 1 to the District; and

Whereas, On July 26, 2011, the Common Council adopted File No. 101297, which approved Amendment No. 2 for the District; and

Whereas, On March 1, 2016, the Common Council adopted File No. 151547, which approved Amendment No. 3 for the District; and

Whereas, On July 26, 2016, the Common Council adopted File No. 160418, which approved Amendment No. 4 for the District; and

Whereas, On April 18, 2023, the Common Council adopted File No. 221817, which approved Amendment No. 5 for the District; and

Whereas, On September 1, 2009, the Common Council adopted File No. 090325, which approved a Project Plan and created Tax Incremental District No. 74 (North 35th Street and West Capitol Drive) (the "TID 74") to assist in the redevelopment of the former Tower Automotive Site; and

Whereas, On July 22, 2014, the Common Council adopted File No. 140437, which approved Amendment No. 1 to the TID 74 Project Plan to reset TID 74's base value;

and

Whereas, To date, TID 74 has not created sufficient incremental revenue to recover the TID 74 project costs; and

Whereas, TID 48 and TID 74 remain in existence and have not been statutorily terminated; and

Whereas, Department of City Development ("DCD") staff recommended that TID 48's Project Plan be amended under Wis. Stat. 66.1105 (4)(h)1, with approval by the Common Council, the Redevelopment Authority of the City of Milwaukee ("RACM") and the Joint Review Board, and with the findings in 66.1105 (4)(g):

- to donate up to \$11,750,950 from TID 48 to TID 74 by allocating positive tax increments from TID 48 to TID 74 for each of years 2024-2027 as allowed by Wis. Stat. 66.1105(6)(f); and
- to also include using TID 48 increment to fund up to \$5,750,000 in public infrastructure improvements within a one-half mile radius of TID 48's boundary as allowed by Wis. Stat. 66.1105 (2)(f)1.n. and by 66.1105 (4m)(d) and \$250,000 for administration; and

Whereas, As Amendment 6 indicates, the proposed donation from TID 48 to TID 74 meets the requirements in Wis. Stat. 66.1105(6)(f) (TID 48 and 74 both were created by RACM and approved by the Common Council and TID 48 and 74 have the same overlying taxing jurisdictions, TID 74 was created upon a finding that not less than 50 percent by area of real property within TID 74 is blighted and in need of rehabilitation, TID 48 will first satisfy its current year debt service and project cost obligations before the allocation of increment from TID 48 to TID 74, and the life of TID 48 will not be extended), and Amendment 6 lists the proposed donation amounts and methodology to calculate those donation amounts; and

Whereas, Amendment 6 lists the type of public infrastructure improvements to be made within the one-half mile radius of TID 48's boundaries to be included as TID 48 project costs and shows the area that those improvements will be made in, all as allowed by Wis. Stat. 66.1105 (2)(f)1.n.; and

Whereas, Pursuant to Section 66.1105(4)(h)(1), Wisconsin Statutes, on January 18, 2024, RACM conducted a public hearing on Amendment No. 6 to the Project Plan for the District ("Amendment"), approved the Amendment by resolution and submitted the Amendment, a copy of which is attached to this Common Council File, to the Common Council for its approval; 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"); and

Whereas, Per Section 66.1105(5)(b), Wisconsin Statutes, 10 percent of the territory within the District will be devoted to retail business at the end of the maximum expenditure period; 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. 011182, 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 Economic Feasibility Report that is part of the Project Plan and makes related changes regarding the timing of project costs and methods of financing. The improvement and/or development of such area are/is likely to significantly enhance the value of substantially all of the other real property in and adjoining the District.
3. The 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)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 other existing Tax Incremental Districts within the City, 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 the 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 Wis. Stat. 66.1105 (5).
2. The City Comptroller is directed to transfer the sum of up to \$6,000,000, plus capitalized interest for two years, if necessary, from the Parent TID Account to the Project Account No. 0336-1910-TD04880000 for the purpose of providing a portion of the necessary funding for implementation of the Amendment.
3. The City Comptroller is directed to transfer the tax incremental revenue received by TID 48 to such accounts appropriate for TID 74, as shown in and contemplated by the Amendment and the calculation methodology reflected therein.
4. The City Comptroller, in conjunction with the Commissioner of DCD, is directed to perform such acts and to create such accounts and subaccounts and make appropriate transfers, upon written request by DCD, for all revenue or expenditure activity under this resolution; and, be it

Further Resolved, That the proper City officials are directed to execute any additional documents and instruments necessary to carry out the purposes of the Amendment, including, without limitation, a Grant Agreement with Milwaukee

Downtown, Inc. or Milwaukee County for park improvements, as applicable.
DCD:Dan.Casanova:dac
01/17/24/A