



Legislation Text

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050593
SUBSTITUTE 1

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Substitute resolution approving a Project Plan and creating a Tax Incremental District (Chase Commerce Center Project) in the 14th Aldermanic District.

This substitute resolution approves a tax incremental district Project Plan to redevelop the former Metso Minerals/Rexnord complex at 3073 South Chase Avenue for manufacturing and office use. The property was acquired by Industrial Properties, LLC ("Developer"). The first tenant is Bucyrus International, Inc., which expects to employ 80-90 workers at the site. The total redevelopment cost for the 513,000 square foot complex is estimated at \$7.5 million, including the acquisition cost. The Project Plan proposes to contribute not more than \$500,000 to this cost, with all costs being advanced by the Developer and repaid, without interest, by the City, but only from incremental tax revenue generated by the District. The Project Plan does not require any general obligation borrowing by the City. The District will terminate and all payments will cease when occupancy in the complex reaches 80 percent, or in ten years, whichever occurs earlier.

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 ("TID") and approve a Project Plan for the TID; 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 the Chase Commerce Center Project Tax Incremental District ("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 the District ("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 TID 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, 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, more than 50 percent, by area, of the real property in the District, as identified in Map 2 and 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, zero 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 the incremental value of all other existing TID's in the City of Milwaukee ("City") has been determined to be less than 12 percent of the total value of equalized taxable property within the City; now, therefore, be it

Resolved, By the Common Council of the 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 other existing TID's 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 District is created as of January 1, 2005 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 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 the District, 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.

3. The Chase Commerce Center Project Tax Incremental District shall be designated Tax Incremental District No. 61.

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