



Legislation Text

File #: 150381, Version: 1

150381
SUBSTITUTE 1
140453

ALD. PEREZ AND WADE

Substitute resolution approving a Development Agreement with Rexnord Corporation and authorizing expenditures for a business relocation, in the 12th Aldermanic District. This substitute resolution authorizes funding of a grant in the amount of \$1,000,000 and a forgivable loan in the amount of \$900,000 from the Tax Incremental District No. 75 (Reed Street Yards) Public/Private Venture Fund to assist Rexnord Corporation in relocating the headquarters of its subsidiary, Zurn Industries, LLC, to the City of Milwaukee and creating a minimum of 120 jobs.

Whereas, On July 22, 2014, by adoption of Common Council File No. 140453, the City of Milwaukee ("City") approved Amendment No. 2 to Tax Incremental District ("TID") No. 75 (the "District"), which provided up to \$5,000,000 to create a Public/Private Venture Fund ("PPVF") to attract new businesses to the Reed Street Yards; and

Whereas, Rexnord Corporation ("Rexnord") moved its headquarters to the City at the Global Water Center adjacent to the Reed Street Yards in 2014; and

Whereas, Rexnord's subsidiary, Zurn Industries, LLC ("Zurn"), is a global leader in water products such as commercial and residential plumbing fixtures, drains, tubing, valves and other water control devices; and

Whereas, Rexnord wishes to relocate the Zurn headquarters from Pennsylvania to the Reed Street Yards in the City to be part of the growing water cluster in the City; and

Whereas, Rexnord plans to construct an approximately 52,000 square-foot building in the Reed Street Yards that will be the new headquarters for Zurn and will contain a minimum of 120 employees; and

Whereas, The City proposes to assist Rexnord with a grant of \$1,000,000 for extraordinary site costs and a \$900,000 forgivable loan to partially offset its relocation, hiring and other costs, conditioned on Rexnord relocating the Zurn headquarters in the City, and with employment starting at 60 positions and growing up to 120 positions; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that the proper City officials are directed to enter into a Development Agreement ("Agreement") with Rexnord and the Redevelopment Authority of the City of Milwaukee on terms substantially in accordance with the Term Sheet, a copy of which is attached to this Common Council File; and, be it

Further Resolved, That the City Comptroller is directed to establish such accounts and provide such funding from TID No. 75, as provided in the Agreement; and, be it

Further Resolved, That the proper City officials are directed to execute any additional documents and instruments necessary to carry out the provisions of the Term Sheet.

DCD:Dan.Casanova:dac

07/02/15