



Legislation Text

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190774

ORIGINAL

190070

ALD. STAMPER

Resolution approving Amendment No. 1 to the Project Plan, a Development Agreement and authorizing expenditures for Tax Incremental District No. 98 (The Ikon), in the 15th Aldermanic District.

Tax Incremental District No. 98 was created in 2019 for the purpose of providing a \$4,000,000 loan to assist in the redevelopment of the former Sears and Milwaukee Mall building at 2100 West North Avenue into a 80-room boutique hotel, restaurant, retail/commercial space, parking and an adjacent 24,600 square foot conference center (the "Hotel Project") called The Ikon.

Amendment No. 1 would provide an additional \$5,000,000 loan to the Developer to assist with the Hotel Project, \$500,000 for public infrastructure improvements and \$500,000 for commercial corridor improvements. The District will also fund \$112,500 in administrative expenses.

Whereas, On May 7, 2019, the Common Council of the City of Milwaukee ("Common Council") adopted File No. 190070, which approved a Project Plan and created Tax Incremental District No. 98 (The Ikon) (the "District"); and

Whereas, Pursuant to Section 66.1105(4)(h)(1), Wisconsin Statutes, on August 15, 2019, the Redevelopment Authority of the City of Milwaukee ("Authority") conducted a public hearing on Amendment No. 1 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"); 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. 190070, 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 enhance significantly 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 the provisions of Section 66.1105(5), Wisconsin Statutes.

2. The City Comptroller is directed to transfer the sum of up to \$6,112,500, plus capitalized interest for two years, if necessary, from the Parent TID Account to the Project Account No. 0336-1910-TD09880000 for the purpose of providing a portion of the necessary funding for implementation of the Amendment.

3. The City Comptroller 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; and, be it

Further Resolved, That the proper City officials are directed to enter into a Development Agreement for the purposes of implementing the Amendment on terms substantially in accordance with The Ikon Loan Term Sheet Amendment No. 1 for TID No. 98, which is Exhibit 7 of the Plan; 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.

DCD:Dan.Casanova:dac
09/04/19/A