



Legislation Details (With Text)

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Title: Substitute resolution related to tax incremental finance project expenditures.
Sponsors: ALD. MURPHY
Indexes: TAX INCREMENTAL FINANCING
Attachments: 1. Fiscal Note.pdf, 2. Budget reply.pdf, 3. City Atty. opinions.pdf

Date	Ver.	Action By	Action	Result	Tally
6/15/2004	0	COMMON COUNCIL	ASSIGNED TO		
6/16/2004		FINANCE & PERSONNEL COMMITTEE	REFERRED TO		
6/17/2004		FINANCE & PERSONNEL COMMITTEE	REFERRED TO		
7/14/2004	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
7/14/2004	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
7/14/2004	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
7/19/2004	1	CITY CLERK	DRAFT SUBMITTED		
7/21/2004	1	FINANCE & PERSONNEL COMMITTEE	RECOMMENDED FOR ADOPTION	Pass	4:0
7/27/2004	1	COMMON COUNCIL	ADOPTED	Pass	15:0
8/5/2004	1	MAYOR	SIGNED		

040238
SUBSTITUTE 1

ALD. MURPHY

Substitute resolution related to tax incremental finance project expenditures.

This substitute resolution expressly authorizes the expenditure for Tax Incremental District project costs in various TID's that are in excess of the estimates for such costs in the approved Project Plans for such TID's.

Whereas, The project costs in various Tax Incremental Districts ("TID") have exceeded the estimated costs in the Project Plans approved by the Common Council for those districts; and

Whereas, The City Attorney has opined that expenditures for TID project costs in excess of estimates contained in the Project Plans for such districts are permissible if the Common Council has authorized such expenditures in the annual City budget; and

Whereas, Such TID project cost expenditures were authorized in the 2004 City budget; and

Whereas, Out of the total amount of \$19 million in 2004 approved TID budget authority, the sum of \$4,275,544 has been spent to date (June, 2004) creating a current budget surplus of \$14,724,456; and

Whereas, The City Comptroller has raised a question as to whether the Common Council should have more control over instances in which TID project costs for certain projects may exceed the estimates contained in the Project Plans approved by the Common Council; and

Whereas, Representatives from the Department of City Development, the Budget Office, the City Comptroller's Office and the City Attorney's Office are currently engaged in discussions concerning what recommendations should be made to the Common Council regarding the best method for approving TID expenditures that exceed the estimates in the Common Council approved Project Plans; and

Whereas, To address the City Comptroller's immediate concerns regarding various already incurred TID expenditures in excess of estimates contained in the approved Project Plans, this resolution has been prepared to provide specific Common Council approval for those TID expenditures; now, therefore, be it

Resolved, That the Common Council of the City of Milwaukee, authorizes, to the extent that unallocated funds are available in the Parent TID account, the following additional TID expenditures:

1. For TID No. 24 (Riverworks), Account No. TD02480000 - \$331,854.02 to complete demolitions, environmental work, capitalized interest and administrative costs.
2. For TID No. 34 (Historic Third Ward Riverwalk), Account No. TD03480000 - \$1,000,000.00 for riverwalk costs.
3. For TID No. 48 (Park East), Account No. TD04880000 - \$3,000,000.00 for infrastructure contracts (state reimbursements, bridge expense, street and utility improvements), capitalized interest and administrative costs.

; and, be it

Further Resolved, That the City Comptroller is further authorized to increase the foregoing additional TID expenditures by up to 5 percent to reflect actual capital and administrative costs and by up to 10 percent to reflect actual capitalized interest costs and financing costs; and, be it

Further Resolved, That the Department of City Development, the Budget Office, the City Comptroller's Office and the City Attorney's Office are directed to recommend to the Common Council a process for the disclosure and consideration of TID expenditures that may exceed the estimates in the Common Council approved Project Plans by September 21, 2004.

DCD:MJW:TC:mjw
07/13/04