Legislation Details (With Text)

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Type:	Resolution	**Status:**	Passed
File created:	3/4/2014	**In control:**	COMMON COUNCIL
On agenda:		**Final action:**	4/2/2014
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Title: Resolution approving Amendment No. 3 to the Project Plan for Tax Incremental District No. 37 (Grand Avenue) and authorizing expenditures, in the 4th Aldermanic District.

Sponsors: ALD. BAUMAN, ALD. WADE

Indexes: TAX INCREMENTAL DISTRICTS, TAX INCREMENTAL FINANCING

Attachments: 1. Amendment No. 3 to Project Plan as of 03-04-14 (Approved), 2. Fiscal Impact Statement, 3. Proposed Substitute A, 4. AMENDMENT NO 3 to TID 37 thru 2020 as of 3-11-14 (Not Approved), 5. Comptroller Analysis, 6. Pres. Murphy Letter to Comptroller - Request for Analysis, 7. Ald. Bauman Letter to Comptroller - Request for Analysis, 8. Comptroller Letter regarding Analysis Requests 1-30-14, 9. Email from Comptroller to Ald. Bauman, 10. Hearing Notice List, 11. Presentation - Proposal for Boston Store 2014

Date	Ver.	Action By	Action	Result	Tally
3/4/2014	0	COMMON COUNCIL	ASSIGNED TO		
3/19/2014	0	ZONING, NEIGHBORHOODS & DEVELOPMENT COMMITTEE	HEARING NOTICES SENT		
3/19/2014	0	ZONING, NEIGHBORHOODS & DEVELOPMENT COMMITTEE	HEARING NOTICES SENT		
3/19/2014	0	ZONING, NEIGHBORHOODS & DEVELOPMENT COMMITTEE	HEARING NOTICES SENT		
3/19/2014	0	ZONING, NEIGHBORHOODS & DEVELOPMENT COMMITTEE	HEARING NOTICES SENT		
3/19/2014	0	ZONING, NEIGHBORHOODS & DEVELOPMENT COMMITTEE	HEARING NOTICES SENT		
3/19/2014	0	ZONING, NEIGHBORHOODS & DEVELOPMENT COMMITTEE	HEARING NOTICES SENT		
3/19/2014	0	ZONING, NEIGHBORHOODS & DEVELOPMENT COMMITTEE	HEARING NOTICES SENT		
3/21/2014	0	ZONING, NEIGHBORHOODS & DEVELOPMENT COMMITTEE	HEARING NOTICES SENT		
3/25/2014	0	ZONING, NEIGHBORHOODS & DEVELOPMENT COMMITTEE	RECOMMENDED FOR ADOPTION	Pass	5:0
3/25/2014	0	ZONING, NEIGHBORHOODS & DEVELOPMENT COMMITTEE	AMENDED	Pass	5:0
4/2/2014	0	COMMON COUNCIL	ADOPTED	Pass	11:3
4/11/2014	0	MAYOR	SIGNED		

131580
ORIGINAL
971894, 990115, 000430
ALD. BAUMAN AND WADE
Resolution approving Amendment No. 3 to the Project Plan for Tax Incremental District No. 37 (Grand Avenue) and authorizing expenditures, in the 4th Aldermanic District.

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The Common Council created Tax Incremental District No. 37 in 1998 to stimulate the retail and hospitality market in and around The Grand Avenue Retail Center. The TID has funded a $2 million loan for the Marriott Suites Hotel at North 3rd and Michigan Streets, $9.4 million of grants and loans to redevelop the former Marshall Fields building and $5 million to assist in renovating the Boston Store retail space and regional offices.

The Boston Store's operating covenant and lease for its retail space expired in 2012, and the store has been functioning under a year-to-year lease ever since. This Amendment will provide up to $300,000 annually to the store's owners, Bon-Ton Stores, Inc., provided the lease and operating covenant is extended to January, 2018, and the company retains not less than 750 full-time equivalent positions at the retail facility and its regional headquarters. Funding provided through the amendment will be used for leasehold improvements, equipment, working capital, advertising and promotion. This funding will help offset the store's operating losses.
Whereas, The Common Council of the City of Milwaukee ("Common Council") on June 16, 1998 adopted File No. 971894, which approved a Project Plan and created Tax Incremental District No. 37 (Grand Avenue) (the "District" or "TID No. 37"); and

Whereas, Pursuant to Section 66.1105(4)(h)(l), Wisconsin Statutes, on February 20, 2014, the Redevelopment Authority of the City of Milwaukee ("Redevelopment Authority") conducted a public hearing on Amendment No. 3 to the Project Plan for the District ("Amendment"), a copy of which is attached to this Common Council File; 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. 971894, pursuant to Section 66.1105(4(gm)l and 4, Wisconsin Statutes, are unchanged.

2. The Amendment revises the project costs to be supported by the District and revises the forecast of District Cash Flow and District Financial Feasibility analysis that is part of the Project Plan and makes related changes regarding the timing of project costs and methods of financing.

3. Project costs provided in the Amendment relate directly to promoting and retaining 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)4a, 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, 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 said 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 $1,206,000, plus capitalized

interest for two years, if necessary, from the Parent TID Account to the Project Account No. TD03780002, or to appropriate available tax incremental revenue from TID No. 37, or a combination of both funding sources, all for the purpose of providing the necessary funding for the Amendment.

3. The City Comptroller, in conjunction with the Commissioner of the Department of City Development, 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.

4. The proper City officials are directed to execute, on behalf of the City, a Cooperation Agreement with the Redevelopment Authority providing for the granting of funds to the Redevelopment Authority such that the Redevelopment Authority may make a grant for the Project, specified in the Amendment, on the terms and conditions set forth in the Term Sheet, which is attached to the Amendment.
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03/04/14/A