



Legislation Details (With Text)

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Title: Resolution approving Amendment No. 2 to the Project Plan, a Development Agreement and authorizing expenditures for Tax Incremental District No. 83 (Broadway and Michigan), in the 4th Aldermanic District.

Sponsors: ALD. BAUMAN

Indexes: TAX INCREMENTAL DISTRICTS

Attachments: 1. TID 83 Project Plan, 2. Fiscal Impact Statement, 3. Comptroller Response, 4. Hearing Notice List

Date	Ver.	Action By	Action	Result	Tally
7/9/2019	0	COMMON COUNCIL	ASSIGNED TO		
7/17/2019	0	ZONING, NEIGHBORHOODS & DEVELOPMENT COMMITTEE	HEARING NOTICES SENT		
7/17/2019	0	ZONING, NEIGHBORHOODS & DEVELOPMENT COMMITTEE	HEARING NOTICES SENT		
7/17/2019	0	ZONING, NEIGHBORHOODS & DEVELOPMENT COMMITTEE	HEARING NOTICES SENT		
7/17/2019	0	ZONING, NEIGHBORHOODS & DEVELOPMENT COMMITTEE	HEARING NOTICES SENT		
7/23/2019	0	ZONING, NEIGHBORHOODS & DEVELOPMENT COMMITTEE	RECOMMENDED FOR ADOPTION	Pass	5:0
7/30/2019	0	COMMON COUNCIL	ADOPTED	Pass	13:0
8/8/2019	0	MAYOR	SIGNED		

190544
ORIGINAL
150184, 150914
ALD. BAUMAN

Resolution approving Amendment No. 2 to the Project Plan, a Development Agreement and authorizing expenditures for Tax Incremental District No. 83 (Broadway and Michigan), in the 4th Aldermanic District.

Tax Incremental District No. 83 was created in 2015 for the purpose of providing a \$900,000 grant to assist with the redevelopment of the Mackie Building. Amendment No. 1 to the District revised the Project Plan to provide \$1,935,000 in funding for streetscaping, traffic signals and lighting and \$25,000 for administration expenses.

Amendment No. 2 would provide \$3,900,000 for streetscaping and public infrastructure improvements. 511 Holdings, LLC, the Developer of the Huron Building, will advance \$3,800,000 for the project. The Tax Incremental District will fund an annual payment to the Developer for a period of up to 10 years, equal to 100 percent of any incremental property taxes (less \$7,500 in annual expenses), resulting from the increased taxable value of real and personal property from the Huron Building, not to exceed an amount sufficient to repay up to \$3,800,000, at 5.5 percent interest. The City will also fund \$100,000 in public infrastructure improvements to Pompeii Square through the District.

Whereas, On June 23, 2015, the Common Council of the City of Milwaukee ("Common Council") adopted File No. 150184, which approved a Project Plan and created Tax Incremental District No. 83 (Broadway and Michigan) (the "District"); and

Whereas, On November 2, 2015, the Common Council adopted File No. 150914, which approved Amendment No. 1 to the District; and

Whereas, Pursuant to Section 66.1105(4)(h)(1), Wisconsin Statutes, on July 18, 2019, the Redevelopment Authority of the City of Milwaukee ("Authority") conducted a public hearing on Amendment No. 2 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. 150184, 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. Relative to the \$3,800,000 Developer-funded contribution provided for in the Amendment, a variance is authorized from the procedures of Common Council File No. 68-461-x, being the Guidelines for the Control of Capital Expenditures, and directs the City Comptroller to:

Establish the appropriate accounts within the TID Project Account, No. 0336-1910-TD08380000, to appropriate tax incremental collections equal to the total required to repay the City's monetary obligation to the Developer, as provided in the Term Sheet for the District, in such amounts as set forth in the Amendment, as shall be necessary to implement the Amendment.

3. The City Comptroller is directed to transfer the sum of up to \$100,000, plus capitalized interest for two years, if necessary, from the Parent TID Account to the Project Account No. 0336-1910-TD08380000 for the purpose of providing a portion of the necessary funding for implementation of the Amendment.

4. The City Comptroller is directed to establish all accounts and to make all appropriation transfers, upon 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 Public Infrastructure Improvements Term Sheet for TID No. 83, 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 including, without limitation, a Grant Agreement with Milwaukee Downtown, Inc. or Milwaukee County for the improvements to Pompeii Square.

DCD:Dan.Casanova:dac

07/09/19/A