



Legislation Details (With Text)

File #: 191951 **Version:** 0
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On agenda: **Final action:** 5/27/2020
Effective date:

Title: Resolution approving Amendment No. 6 to the Project Plan for Tax Incremental Financing District No. 37 (Grand Avenue), in the 4th Aldermanic District, to allow donations to Tax Incremental District No. 51 (Granville Station), in the 9th Aldermanic District, Tax Incremental District No. 71 (Mitchell Street), in the 12th Aldermanic District and Tax Incremental District No. 72 (Bishop’s Creek), in the 1st and 7th Aldermanic Districts.

Sponsors: ALD. BAUMAN, ALD. PEREZ, ALD. LEWIS, ALD. RAINEY

Indexes: TAX INCREMENTAL DISTRICTS

Attachments: 1. TID 37 Amend 6 Project Plan, 2. Fiscal Impact Statement, 3. Comptroller Response, 4. TID 51 Granville Station Overview, 5. TID 71 Mitchell Street Overview, 6. TID 72 Bishop's Creek Overview, 7. PowerPoint Presentation, 8. Hearing Notice List

Date	Ver.	Action By	Action	Result	Tally
4/14/2020	0	COMMON COUNCIL	ASSIGNED TO		
5/13/2020	0	ZONING, NEIGHBORHOODS & DEVELOPMENT COMMITTEE	HEARING NOTICES SENT		
5/13/2020	0	ZONING, NEIGHBORHOODS & DEVELOPMENT COMMITTEE	HEARING NOTICES SENT		
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5/13/2020	0	ZONING, NEIGHBORHOODS & DEVELOPMENT COMMITTEE	HEARING NOTICES SENT		
5/19/2020	0	ZONING, NEIGHBORHOODS & DEVELOPMENT COMMITTEE	RECOMMENDED FOR ADOPTION	Pass	4:0
5/27/2020	0	COMMON COUNCIL	ADOPTED	Pass	15:0
6/10/2020	0	MAYOR	SIGNED		

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ORIGINAL

971894, 990115, 000430, 131580, 161313, 190545, 021332, 071132 and 081070

ALD. BAUMAN, PEREZ, LEWIS AND RAINEY

Resolution approving Amendment No. 6 to the Project Plan for Tax Incremental Financing District No. 37 (Grand Avenue), in the 4th Aldermanic District, to allow donations to Tax Incremental District No. 51 (Granville Station), in the 9th Aldermanic District, Tax Incremental District No. 71 (Mitchell Street), in the 12th Aldermanic District and Tax Incremental District No. 72 (Bishop's Creek), in the 1st and 7th Aldermanic Districts.

This resolution approves Amendment No. 6 to the Project Plan for Tax Incremental District No. 37 (Grand Avenue) to provide up to \$2,013,609 in donations to Tax Incremental District No. 51 (Granville Station), \$2,658,175 in donations to Tax Incremental District No. 71 (Mitchell Street) and \$2,572,552 in donations to Tax Incremental District No. 72 (Bishop's Creek), totaling \$7,244,336.

Whereas, On June 16, 1998, the Common Council of the City of Milwaukee ("Common Council") adopted File No. 971894, which approved a Project Plan and created Tax Incremental District No. 37 ("TID 37"); and

Whereas, On June 22, 1999, the Common Council adopted File No. 990115, which approved Amendment No. 1 to the District Project Plan ("Plan"); and

Whereas, On November 8, 2000, the Common Council adopted File No. 000430, which approved Amendment No. 2 to the Plan; and

Whereas, On April 2, 2014, the Common Council adopted File No. 131580, which approved Amendment No. 3 to the Plan; and

Whereas, On February 7, 2017, the Common Council adopted File No. 161313, which approved Amendment No. 4 to the Plan; and

Whereas, On July 30, 2019, the Common Council adopted File No. 190545, which approved Amendment No. 5 to the Plan; and

Whereas, On January 22, 2003, the Common Council adopted File No. 021332, which approved a Project Plan and created Tax Incremental District No. 51 (Granville Station) ("TID 51") to assist in the redevelopment of the former Northridge Mall; and

Whereas, On January 15, 2008, the Common Council adopted File No. 071132, which approved a Project Plan and created Tax Incremental District No. 71 (Mitchell Street) ("TID 71") to assist in the redevelopment of the Mitchell Street commercial corridor; and

Whereas, On December 16, 2008, the Common Council adopted File No. 081070, which approved a Project Plan and created Tax Incremental District No. 72 (Bishop's Creek) ("TID 72") to assist in the Bishop's Creek development project; and

Whereas, To date, TIDs 51, 71 and 72 have not generated sufficient incremental revenue to pay off their existing debt; and

Whereas, TIDs 37, 51, 71 and 72 remain in existence and have not been statutorily terminated; and

Whereas, The Department of City Development ("DCD") staff recommended that TID 37's Project Plan be amended under Wis. Stat. 66.1105(4)(h)1, with approval by the Common Council, the Redevelopment Authority of the City of Milwaukee ("RACM") and the Joint Review Board, and with the findings in 66.1105(4)(g) to donate up to \$7,244,336 from TID 37 to TIDs 51, 71 and 72 by allocating positive tax increments from TID 37 to TIDs 51, 71 and 72 for each of years 2020-2024 as allowed by Wis. Stat. 66.1105 (6)(f); and

Whereas, In accordance with those recommendations, Amendment No. 6 ("Amendment 6") to the TID 37 Project Plan was prepared, a copy of which is attached to this Common Council

File; and

Whereas, As Amendment 6 indicates, the proposed donations from TID 37 to TIDs 51, 71 and 72 meet the requirements in Wis. Stat. 66.1105(6)(f): TIDs 37, 51, 71 and 72 were created by RACM and approved by the Common Council and TIDs 37, 51, 71 and 72 have the same overlying taxing jurisdictions, TID 51 was created upon a finding that not less than 50 percent by area of real property within TID 51 is blighted and in need of rehabilitation, TID 71 was created upon a finding that not less than 50 percent by area of real property within TID 71 is in need of rehabilitation or conservation work, TID 72 was created upon a finding that not less than 50 percent by area of real property within TID 72 is in need of rehabilitation or conservation work, TID 37 will first satisfy its current year debt service and project cost obligations before the allocation of increment from TID 37 to TIDs 37, 51, 71 and 72, and the life of TID 37 will not be extended, and Amendment 6 lists the proposed donation amounts and methodology to calculate those donation amounts; and

Whereas, Per Wis. Stat. 66.1105 (5)(b), the percentage of territory within TID 37 that will be devoted to retail business at the end of the maximum expenditure period is estimated to be 20 percent; and

Whereas, Per Wis. Stat. 66.1105(4)(h)(1), on April 16, 2020, RACM conducted a public hearing and approved Amendment 6, directing its submittal to the Common Council and Joint Review Board for approval; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that it finds and determines as follows:

1. Amendment 6 retains the existing boundaries of TID 37 and does not alter the number of properties within TID 37. Therefore, the findings made in File No. 971894 pursuant to Wis. Stat. 66.1105(4)(gm)1 and 4 are unchanged.
2. Amendment 6 revises project costs to be supported by TID 37 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.
3. Per Wis. Stat. 66.1105(4)(h)1., in accordance with 66.1105(4)(g), the Common Council finds that the TID 37 plan as amended by Amendment 6, is feasible and in conformity with the City's Master Plan.
4. The percentage of the aggregate value of the equalized taxable property of TID 37, 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 per Wis. Stat. 66.1105 (5)(b), the percentage of territory within TID 37 that will be devoted to retail business at the end of the maximum expenditure period is estimated to be 20 percent; and, be it

Further Resolved, That Amendment 6 is approved and will promote the orderly development of the City; and, be it

Further Resolved, That Amendment 6 is likely to significantly enhance all of the other real property's value; 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 Amendment 6 pursuant to Wis. Stat. 66.1105(5).

2. The City Comptroller is directed to transfer the tax incremental revenue received by TID 37 to such accounts appropriate for TIDs 51, 71 and 72, as shown in and contemplated by Amendment 6 and the calculation methodology reflected therein.

3. The City Comptroller, in conjunction with the Commissioner of DCD, is directed to perform such acts and to create such accounts and subaccounts and make appropriate transfers, upon written request by DCD, for all revenue or expenditure activity under this resolution; 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 Amendment 6.

DCD:Dan.Casanova:dac
04/14/20/A