Legislation Details (With Text)

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Title: Resolution approving a Project Plan and a Development Agreement, authorizing expenditures and creating Tax Incremental District No. 105 (Community Within the Corridor), in the 15th Aldermanic District.

Sponsors: ALD. STAMPER

Indexes: TAX INCREMENTAL DISTRICTS

Attachments: 1. TID 105 Project Plan, 2. Fiscal Impact Stattement, 3. Comptroller Response, 4. Hearing Notice List, 5. PowerPoint Presentation

Date	Ver.	Action By	Action	Result	Tally
6/16/2020	0	COMMON COUNCIL	ASSIGNED TO		
6/25/2020	0	ZONING, NEIGHBORHOODS & DEVELOPMENT COMMITTEE	HEARING NOTICES SENT		
6/25/2020	0	ZONING, NEIGHBORHOODS & DEVELOPMENT COMMITTEE	HEARING NOTICES SENT		
6/25/2020	0	ZONING, NEIGHBORHOODS & DEVELOPMENT COMMITTEE	HEARING NOTICES SENT		
6/26/2020	0	ZONING, NEIGHBORHOODS & DEVELOPMENT COMMITTEE	HEARING NOTICES SENT		
6/26/2020	0	ZONING, NEIGHBORHOODS & DEVELOPMENT COMMITTEE	HEARING NOTICES SENT		
6/30/2020	0	ZONING, NEIGHBORHOODS & DEVELOPMENT COMMITTEE	RECOMMENDED FOR ADOPTION	Pass	5:0
7/7/2020	0	COMMON COUNCIL	ADOPTED	Pass	15:0
7/17/2020	0	MAYOR	SIGNED		

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ALD. STAMPER

Resolution approving a Project Plan and a Development Agreement, authorizing expenditures and creating Tax Incremental District No. 105 (Community Within the Corridor), in the 15th Aldermanic District.

Tax Incremental District No. 105 consists of four parcels totaling 304,616 square feet, located at 2727-47 North 32nd Street, 2748 North 32nd Street, 3212 West Center Street and 2758 North 33rd Street. The District is being created to assist in the redevelopment and adaptive reuse of a series of vacant industrial buildings and the creation of 197 housing units, commercial and community space.

The Tax Incremental District will fund an annual payment to the Developer for a period of

up to 20 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 in the Tax Incremental District, not to exceed an amount sufficient to repay up to $3,150,000, at 4.5 percent interest.

Whereas, Chapter 105 of the Laws of 1975 of the State of Wisconsin, with amendments from other chapters of said Laws, created Section 66.1105, Wisconsin Statutes, titled "Tax Increment Law;" and

Whereas, Section 66.1105(4) of the Tax Increment Law sets forth certain criteria that the Common Council of the City of Milwaukee ("Common Council") and the Redevelopment Authority of the City of Milwaukee ("Authority") must follow to create a Tax Incremental District ("TID" or "District") and approve a Project Plan for a TID; and

Whereas, Pursuant to Section 66.1105(4)(a) through (gm), Wisconsin Statutes, on June 18, 2020 the Authority conducted a public hearing on the Project Plan, designated the boundaries of the District and recommended that the District be created and submitted such recommendation to the Common Council for approval with a proposed Project Plan for the District ("Plan"), a copy of which is attached to this Common Council File; and

Whereas, Under the provisions of Section 66.1105(4)(gm)4.a., Wisconsin Statutes, not less than 50 percent, by area, of the real property within a proposed TID must qualify as either a "blighted area" within the meaning of Section 66.1105(2)(a), Wisconsin Statutes; an area "in need of rehabilitation or conservation work" as defined in Section 66.1337 (2m)(a), Wisconsin Statutes; must be suitable for "industrial sites" within the meaning of Section 66.1101, Wisconsin Statutes, and be zoned for industrial use; or must be "suitable for mixed-use development" as defined in Section 66.1105(2)(cm), Wisconsin Statutes; and

Whereas, More than 50 percent, by area, of the real property in the District was found by the Authority to be "in need of rehabilitation and conservation work," as defined above; and

Whereas, The Plan contains statements and other factual information indicating that the improvement of such area is likely to enhance significantly the value of real property in the District; and that project costs directly serve to promote development of the District consistent with the purpose(s) for which the District is created under Section 66.1105(4)(gm)4.a., Wisconsin Statutes; now, therefore, be it

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

1. The District is "in need of rehabilitation and conservation work" within the meaning of Section 66.1105(4)(gm)4.a., Wisconsin Statutes.

2. The improvement and/or development of such area, as hereinafter provided, is likely to enhance significantly the value of substantially all of the other real property in and adjoining the District.

3. Project costs relate directly to promoting development consistent with the City of Milwaukee's ("City") Master Plan and with the purpose(s) for which the District is 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 TIDs, 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 District is created as of January 1, 2020, and that the boundaries of the District are approved as described and more precisely set forth in the

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Plan; and, be it

Further Resolved, That the Plan is approved as the "Project Plan" for the District and that the Plan 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 apply to the Wisconsin Department of Revenue for a "Determination of Tax Increments and Tax Incremental Base," for the District pursuant to the provisions of Section 66.1105(5), Wisconsin Statutes.

2. Pursuant to the provisions of Section 66.1105(5)(f), Wisconsin Statutes:

a. The Assessment Commissioner is directed to identify upon the assessment roll, returned and examined under Section 70.45, Wisconsin Statutes, those parcels of property, which are within the District, specifying thereon the name of the District.

b. The City Clerk is directed to make notations on the tax roll for the District similar to those required to be made under Section 70.65, Wisconsin Statutes.

3. The District shall be designated Tax Incremental District No. 105 (Community Within the Corridor).

4. Relative to the $3,150,000 Developer-funded contribution provided for in the Plan, 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-TD010580000, to appropriate tax incremental collections equal to the total required to repay the City contribution to the Developer, as provided in the Term Sheet for the District, in such amounts as set forth in the Plan, as shall be necessary to implement the Plan.

5. 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 there is not sufficient tax incremental revenue available for street-paving projects within one-half mile of the District, therefore, per the requirement of Milwaukee Code of Ordinances Section 304-95-1, the Common Council waives the requirement to include such costs in the Plan; and, be it

Further Resolved, That the proper City officials are directed to enter into a Development Agreement for the purposes of implementing the Plan on terms substantially in accordance with the Term Sheet for TID No. 105, which is Exhibit 4 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 provisions of the Development Agreement and to implement the Plan.

DCD:Maria.Prioletta:mp
06/16/20/A

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