



Legislation Text

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ORIGINAL

000428, 051108

THE CHAIR

Resolution approving Amendment No. 2 to the Project Plan for Tax Incremental District No. 41 (Time Warner Riverwalk) and authorizing expenditures, in the 6th Aldermanic District. The Common Council created Tax Incremental District No. 41 in 2000 by adoption of File No. 000428 and amended it in 2006 by adoption of File No. 051108 for the purpose of facilitating redevelopment efforts in an area generally bounded by North King Drive, West McKinley Avenue, West Pleasant Street and the Milwaukee River. Funding was to be provided for the City's share of riverwalk improvements from McKinley Avenue to Cherry Street (\$4,000,000) and for streetscaping, landscaping and plaza improvements (\$3,000,000). The key private investments contemplated by the Project Plan were the conversion of the former We Energies power plant into offices for occupancy by Time Warner, Inc., and the development of the Harley-Davidson museum in the former Schlitz Brew House.

The Time Warner facility was constructed by 2001 and the 150,000 square-foot office building is now home to over 600 employees. The Harley-Davidson museum was not constructed within the District due to difficulties in renovating the historic Brew House structure.

TID No. 41 has incurred project costs, to date, of \$20.2 million, for the purposes of constructing a parking ramp, skywalk, riverwalk and access road; \$4.7 million in loans and grants to provide financial assistance for the 280,000 square-foot office facility leased by Manpower, Inc., for its new World Headquarters; and \$250,000 for a job-training program.

The TID has achieved an increase in incremental property value of \$111.6 million.

Amendment No. 2 to the Project Plan for TID No. 41 will provide \$1.7 million for the purpose of constructing street improvements within North 2nd Street and West Galena Street to support new occupants to currently vacant space in the Schlitz Park office complex. These occupants are expected to relocate approximately 200 jobs to this site and increase employment to 350, over time.

The TID, as amended, is expected to recover its project costs in 8 years. Whereas, The Common Council of the City of Milwaukee ("Common Council"), on September 22, 2000, adopted File No. 000428, which approved a Project Plan and created Tax Incremental District No. 41 (Time Warner Riverwalk) ("TID" or "District"); and

Whereas, The Common Council, on February 7, 2006, adopted File No. 051108, which approved Amendment No. 1 to the District's Project Plan; and

Whereas, Pursuant to Section 66.1105(4)(h)(1), Wisconsin Statutes, on June 13, 2013, 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 such Amendment by resolution and submitted such 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. 000428, 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.
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 TID's, 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 by the Common Council, and that 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 the appropriate City officials, including the City Attorney, Commissioner of City Development, Commissioner of Public Works and the City Comptroller, are directed to enter into such agreements, as necessary, to accomplish the purposes of the Amendment; 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 \$1,700,000, plus up to 10 percent for capitalized interest, from the Parent TID Account to Project Account No. TD04180000, for the purpose of providing funds necessary to implement the Amendment.
3. The City Comptroller, in conjunction with the Commissioner 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 enter into a Development Agreement for the District on terms substantially in accordance with those set forth in the Term Sheet contained in Exhibit 1 of the Amendment.

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