



Legislation Text

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130071
SUBSTITUTE 2
000806, 010319, 120347
ALD. DAVIS

Substitute resolution approving Amendment No. 2 to the Project Plan for Tax Incremental District No. 42 (Capitol Court/Midtown) and authorizing expenditures, in the 2nd and 7th Aldermanic Districts.

The City of Milwaukee created Tax Incremental District No. 42 in 2000. The District was created to assist developer Boulder Venture, Inc. with the redevelopment of the former Capitol Court Mall into the Midtown Center. The purpose of the Project Plan and subsequent Amendment No. 1 were to fund public infrastructure and improvements in the area generally bounded by West Capitol Drive, North 60th Street and West Fond du Lac Avenue to eliminate the blighted and obsolete former mall, promote the coordinated development of underutilized land and vacant buildings, add public improvements and new infrastructure and to create new employment opportunities.

To date, approximately \$11,733,773 of net project costs have been incurred, including interest on debt and associated carrying charges, and approximately \$14,066,603 of incremental value has been generated in the TID, and an additional \$1,500,000 is expected in the 2013 levy. Amendment No. 2 will provide \$3,500,000, including Administration totaling \$200,000, to assist with improvements and continued occupancy in the District. Funds will assist with the redevelopment of the vacant Lowe's property, re-tenanting of vacant in-line commercial space, tenant improvements for expansion within the District and new development on vacant parcels in the District. Funds will be shared between an Economic Development Master Fund and a Tenant Improvement Master Fund. Funding of any projects assisted with said Master Funds shall be subject to future, and separate, Common Council approval.

Amendment No. 2 also will provide up to \$1,500,000 for the cost of paving six streets within a half mile of the District. These streets are North 52nd Street from West Nash Street to West Capitol Drive; North 52nd Street from West Capitol Drive to West Fond du Lac Avenue; North 53rd Street from West Vienna Avenue to West Capitol Drive; North 53rd Street/West Frank Moore II Place from West Capitol Drive to West Fond du Lac Avenue; West Hope Avenue/West Maxwell Place from North 51st Boulevard to West Fond du Lac Avenue; and West Medford Avenue from West Congress Street to North 68th Street. The total estimated cost of this paving project is \$1,445,000. This component of Amendment No. 2 will be implemented under the provisions of File No. 120347, adopted July 24, 2012, relating to the inclusion of street-paving costs in the project plans for tax incremental districts. Whereas, On November 28, 2000, the Common Council of the City of Milwaukee ("Common Council") adopted File No. 000806, which approved a Project Plan and created Tax Incremental District No. 42 (Capitol Court/Midtown) ("TID" or "District"); and

Whereas, Pursuant to Section 66.1105(4)(h)(1), Wisconsin Statutes, on June 13, 2013, the Redevelopment Authority of the City of Milwaukee 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, Sections 66.1105(4)(g) and (h)(1), Wisconsin Statutes, provide that an amendment to a Project Plan shall be approved by the Common Council by 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. 000806, pursuant to Sections 66.1105(4) (gm) (1) and (4), Wisconsin Statutes, are reaffirmed.
2. The Amendment revises the project costs to be supported by the District and revises the forecast of the District Cash Flow and the 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. 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) (4a), Wisconsin Statutes.
4. The percentage of the aggregate value of equalized taxable property of the District, plus the incremental value of all other existing 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. Relative to the \$3,300,000 Economic Development Master Fund and Tenant Improvement Master Fund provided for in the Amendment, appropriations for projects assisted with these funds shall be subject to subsequent Common Council approval.
3. The Commissioner of City Development ("DCD"), or his designee(s), is directed to act on behalf of the Common Council as coordinator of all TID-related activities, which in his judgment, are necessary to carry out the Amendment and intent of this Common Council File.
4. The City Comptroller is authorized to utilize excess TID revenue, or borrow on a short-term basis, or some combination of both, and transfer \$5,000,000 to the Project Account No. TD04280000, plus capitalized interest, for the purpose of providing funds necessary to implement the Amendment.
5. 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.

DCD:DDA:dda
06/20/13