



Legislation Text

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040397
SUBSTITUTE 1

ALD. HINES

Substitute resolution approving a Supplemental Development Agreement for the North Avenue Commerce Center Project - Phase I.

This substitute resolution approves an Agreement, which extends the City's and RACM's environmental indemnification to the new owner of the North Avenue Commerce Center Project - Phase I at North 27th Street and West North Avenue because the Wisconsin Department of Natural Resources has not granted closure on the environmental contamination of the property. The Agreement also requires a payment in lieu of taxes if the new owner receives a tax exemption.

Whereas, The City of Milwaukee ("City"), the Redevelopment Authority of the City of Milwaukee ("Redevelopment Authority") and the North Avenue Commerce Center, LLC, have previously entered into a Development Agreement for the North Avenue Commerce Center Project - Phase I ("Project") dated as of September 27, 1994, which Development Agreement was amended by the First Amendment dated as of August 1, 2002; and

Whereas, The Project addressed by the Development Agreement is located in Tax Incremental District No. 21 and in the North 26th Street-West North Avenue Redevelopment Project Area; and

Whereas, Article VII of the Development Agreement addresses certain environmental matters relative to the real property upon which the Phase I building is located; and

Whereas, North Avenue Commerce Center, LLC, has conveyed the Project to PIC Services, LLC, an entity affiliated with the Private Industry Council of Milwaukee; and

Whereas, Because the Wisconsin Department of Natural Resources has not yet determined that certain environmental contamination on the Project site has been fully remediated, the Redevelopment Authority and the City, through a Supplemental Development Agreement, a copy of which is attached to this Common Council File, proposes to extend its indemnification to PIC Services, LLC, relative to the environmental condition of the site prior to its conveyance to North Avenue Commerce Center, LLC; and

Whereas, In addition, the proposed Supplemental Development Agreement further provides that PIC Services, LLC, shall make a payment in lieu of taxes ("PILOT") to the City pursuant to the PILOT Agreement, a copy of which is attached to this Common Council File as Exhibit D of said Supplemental Development Agreement; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that the Supplemental Development Agreement and the PILOT Agreement for the North Avenue Commerce Center Project - Phase I are approved and that the proper City officials are authorized and directed to enter into such agreements.

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07/14/04