



Legislation Text

File #: 051461, Version: 1

051461
SUBSTITUTE 1

ALD. DONOVAN

Substitute resolution approving a Project Plan and creating Tax Incremental District No. 63 (Falk Project) and approving the terms of a Development Agreement to implement the Project Plan, in the 8th Aldermanic District.

This substitute resolution approves a tax incremental district Project Plan to assist Falk, a division of Rexnord Industries, LLC, to recover up to \$1.5 million of costs related to the extension of West Canal Street adjacent to its property at 3001 West Canal Street. Costs to be recovered include demolition of the remaining segments of vehicular bridges, which intersect with Canal Street, utility relocations, paving and access improvements necessitated by a new, westerly entrance to the Falk complex. This substitute resolution also approves the terms of a Development Agreement between the City, the Redevelopment Authority and Rexnord through which the company will advance funding for the project and will be repaid by the City, but only to the extent of incremental tax revenue actually generated in the district.

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 ("District" or "TID") and approve a Project Plan for a District; and

Whereas, Pursuant to Section 66.1105(4) (a) through (gm), Wisconsin Statutes, the Authority conducted a public hearing on the Plan, designated the boundaries of a District at 3001 West Canal Street and recommended that the District be created and submitted such recommendation to the Common Council for approval with a proposed Project Plan for Tax Incremental District No. 63, City of Milwaukee (the "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 District 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" within the meaning of Section 66.1337(3), Wisconsin Statutes; or must be suitable for "industrial sites" within the meaning of Section 66.1101, Wisconsin Statutes, and be zoned for industrial use; and

Whereas, More than 50 percent, by area, of the real property in the District is suitable for industrial sites within the meaning of Section 66.1101 and is zoned for industrial use and, therefore, satisfies the requirements of Section 66.1105(4) (gm) 4.a.3., Wisconsin Statutes; 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, regarding Tax Incremental District No. 63, City of Milwaukee, that it finds and determines as follows:

1. The District is "suitable for industrial sites" within the meaning of Section 66.46(4) (gm)4.a., Wisconsin Statutes.
2. The improvement and/or redevelopment of such area, as hereinafter provided, is likely to enhance significantly the value of substantially all of the other real property in and adjoining such 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 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 TID No. 63 is created as of January 1, 2006, and that the boundaries of the District recommended by the Authority are approved as described and more precisely set forth in the Plan; and, be it

Further Resolved, That the Plan is approved as the Project Plan for said 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 the proper City officials are authorized and 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. 63, which is Exhibit 4 of the Plan; and, be it

Further Resolved, That:

1. The City Clerk is authorized and 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 authorized and directed to identify upon the assessment roll, returned and examined under Section 70.45, Wisconsin Statutes, those parcels of property which are within TID No. 63 specifying thereon the name of the District.
 - b. The City Clerk is authorized and 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. 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 No. 63 project account, No. 0336-1910-TD06380000, to appropriate tax incremental collections equal to the total required to pay the City Contribution to Rexnord Industries, LLC, as provided in the Term Sheet for this District, in such amounts as set forth in the Plan, as shall be necessary to implement the Plan.

4. The City Comptroller is authorized 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.

DCD:JS:js

03/28/06