



Legislation Text

File #: 141320, Version: 1

141320
SUBSTITUTE 1

ALD. BAUMAN

Substitute resolution approving and authorizing the execution of a Cooperation Agreement, TID Project Plan-Financing, by and between the City of Milwaukee and the Redevelopment Authority of the City of Milwaukee.

This substitute resolution authorizes the City to enter into a Cooperation Agreement with the Redevelopment Authority for the financing of tax incremental district project plans using RACM revenue bonds. The Cooperation Agreement is necessary to provide the City with the option to utilize RACM revenue bonds to fund TID Project Plans.

Also, this substitute resolution authorizes: 1) the City to provide assistance to and cooperate with RACM in marketing RACM revenue bonds to be issued to fund TID Project Plans; 2) the City to maintain control over the necessary construction and professional service contracts related to TID Project Plans; and 3) the pledging of the moral obligation of the City to the repayment of RACM revenue bonds issued for the funding of TID Project Plans.

In the event that RACM revenue bonds will be utilized for funding TID Project Plans, the actual financing terms will be brought before the Common Council for approval.

Whereas, The City of Milwaukee ("City") has historically funded Tax Incremental District Project Plans ("TID Project Plans") using its general obligation bonds; and

Whereas, The Redevelopment Authority of the City of Milwaukee ("RACM") has the power to issue revenue bonds for the purpose of furthering its redevelopment objectives; and

Whereas, RACM has been designated by the City to consider and approve TID Project Plans created pursuant to Wisconsin Statutes, Section 66.1105; and

Whereas, From time-to-time, the City and RACM enter into cooperation agreements in conjunction with the implementation of TID Project Plans; and

Whereas, Utilization of RACM revenue bond financing to fund TID Project Plans would provide additional flexibility in structuring financing for such projects and reduce the need for City issuance of general obligation bonds; and

Whereas, The City has the power to pledge its moral obligation to provide credit enhancement for RACM revenue bonds; and

Whereas, The City and RACM desire to enter into a cooperation agreement in order to provide the most efficient and cost effective financing of TID Project Plans through the cooperative exercise of their respective powers; and

Whereas, Submitted herewith for Common Council consideration is a Cooperation Agreement, TID Project Plan-Financing, a copy of which is attached to this Common Council File; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that the Cooperation Agreement, TID Project Plan-Financing, is hereby approved and that the proper City officials are

hereby directed to execute such Cooperation Agreement on behalf of the City.
CA:Mary.Schanning:mls
12/1/14