



Legislation Text

File #: 171108, Version: 1

171108

SUBSTITUTE 1

130053, 150157

ALD. KOVAC

Substitute resolution approving Amendment No. 2 to the Project Plan for Tax Incremental District No. 79 (North Water Street Riverwalk) and approving an Amended and Restated Riverwalk and Dockwall Development Agreement, in the 3rd Aldermanic District. This substitute resolution approves Amendment No. 2 to TID No. 79, which adds four parcels to the district, approves an Amended and Restated Riverwalk and Dockwall Development Agreement and expends funding toward the rehabilitation of a dockwall.

Whereas, The Common Council of the City of Milwaukee ("Common Council") on May 21, 2013, adopted File No. 130053, which approved a Project Plan and created Tax Incremental District No. 79 (North Water Street Riverwalk) ("TID" or "District") to provide a \$1.6 million grant to assist in the construction of riverwalks, related public improvements and the development of an 87-unit, 4-story apartment complex, but said apartment complex was not developed; and

Whereas, The Common Council on June 2, 2015, adopted File No. 150157, which approved Amendment No. 1 to the Project Plan for the District that provided funding up to \$3,920,000 to finance 70 percent of the cost to construct a riverwalk extension, 100 percent of the cost of three public connections and 50 percent of the cost of a dockwall reconstruction; and

Whereas, The District has incurred project costs of \$2,052,423, including interest on debt and associated carrying charges, and approximately \$0 of incremental revenue has been generated in the TID; and

Whereas, Pursuant to Section 66.1105(4)(h)(1), Wisconsin Statutes, on November 16, 2017, the Redevelopment Authority of the City of Milwaukee (the "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 66.1105(4)(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"); and

Whereas, The City and N.L. Partners, LLC and Water House, LLC entered into the 1661 North Water Street Riverwalk Development Agreement dated May 31, 2000 ("Original Agreement"), pursuant to which N.L. Partners, LLC and Waterhouse, LLC constructed, maintain and operate a riverwalk improvement at 1661 and 1665-1675 North Water Street (the "Property"); and

Whereas, The City, the Authority, and N.L. Partners, LLC and Water House, LLC (collectively, the "Developer") have negotiated an Amended and Restated 1661-1675 North Water Street Riverwalk and Dockwall Development Agreement ("Development Agreement"), which will require the City to contribute a maximum of \$252,840 to finance up to 50 percent of the eligible costs, but not to exceed \$1,032 per linear foot, of the construction of the dockwall adjacent to the Developer's Property ("City's Dockwall Contribution"); and

Whereas, The City's Dockwall Contribution is an expenditure of the previously authorized \$1.6 million grant, which was not expended because the apartment complex was not developed; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that it finds and determines as follows:

1. The Amendment changes the existing boundaries of the District and adds four parcels comprising approximately 11.15 acres to the District. However, the findings made in Common Council File No. 130053, 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. 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 the equalized taxable property of the District, plus the incremental value of all other existing Tax Incremental 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 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 \$1,347,000, plus up to 10 percent for capitalized interest, from Project Account No. 0336-1910-TD07980000 to the Parent TID Account, a reduction of the spending authority for TID No. 79.

3. The City Comptroller, in conjunction with the Commissioner of the Department of City Development, is directed to perform such acts and to create such accounts and subaccounts and to make appropriate transfers, upon written request by the Department of City Development, for all revenue or expenditure activity under this resolution; and, be it

Further Resolved, That the proper City officials are directed to accept and execute the Amended and Restated Riverwalk and Dockwall Development Agreement and any other documents or agreements necessary for the purposes of implementing the Amendment on terms substantially in accordance with the Amended and Restated Riverwalk and Dockwall Development Agreement; and, be it

Further Resolved, That the proper City officials, in consultation with the City Attorney's Office, are authorized to make non-substantive changes to the Amended and Restated Riverwalk and Dockwall Development Agreement without further Common Council action, as necessary, to achieve the intent of the City's action and to provide for repair of the riverwalk and construction of the dockwall; and, be it

Further Resolved, That the City shall make available to the Authority up to \$252,840 in funds from the District to allow the Authority to supply the reimbursement to the Developer for the specified share of the cost of constructing the dockwall improvement.

DCD:Alyssa.Remington:aer
11/20/17

TECHNICAL CORRECTIONS -- James R. Owczarski -- December 12, 2017