



## Legislation Text

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Resolution approving an Out of Program Agreement, a Project Plan, and a Development Agreement, authorizing expenditures and creating Tax Incremental District No. 99 (Joy Farms), in the 5th Aldermanic District.

Tax Incremental District No. 99 consists of 2 properties totaling approximately 28.05 acres in the area bounded by North 115th Street on the north and east, the Menomonee River to the west and the lot line at the south.

Adoption of this resolution will fulfill statutory requirements for approving a Project Plan and creating a Tax Incremental District to provide a cash grant to assist Wes Land II, LLC (the "Developer") in the financing of a sanitary sewer and water main line within the boundaries of the District and within 1/2 mile of the boundaries of the District. This resolution authorizes the Commissioner of the Department of City Development, other public officials and the Redevelopment Authority to take such actions, as are necessary, to accomplish the objectives of the Project Plan, including entering into an Out of Program Agreement with the Developer for public infrastructure work, and also authorizes the City Comptroller to create the necessary and appropriate accounts and subaccounts for Project Plan implementation.

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

Whereas, Pursuant to Section 66.1105(4)(a) through (gm), Wisconsin Statutes, on June 20, 2019, the Authority conducted a public hearing on the Project Plan, designated the boundaries of the Joy Farms District and recommended that the District be created and submitted such recommendation to the Common Council for approval with a proposed Project Plan for the District ("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 is at least one of the following; a "blighted area" within the meaning of Section 66.1105(2)(a), Wisconsin Statutes; an area "in need of rehabilitation or conservation work" as defined in Section 66.1337(2m)(a), Wisconsin Statutes; must be suitable for "industrial sites" within the meaning of Section 66.1101, Wisconsin Statutes, and be zoned for industrial use; or must be "suitable for mixed-use development" as defined in Section 66.1105(2)(cm), Wisconsin Statutes; 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

Whereas, Per Wisconsin Statute 66.1105(5) (b), the percentage of territory within the District that will be devoted to retail business at the end of the maximum expenditure period is estimated by the City to be 0 percent; 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, that it finds and determines as follows:

1. The District is "suitable for industrial sites" within the meaning of Sections 66.1105(4) (gm)4.a. and 66.1101, Wisconsin Statutes, and will remain zoned for industrial for the life of the District.

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 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 District is created as of January 1, 2019, 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 and adopted 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 there is not sufficient tax incremental revenue available for street-paving projects within one-half mile of the District per the requirement of Milwaukee Code of Ordinances ("MCO") Section 304-95-1, therefore, as permitted by MCO Section 304-95-1, the Common Council waives the requirement to include such costs in the Plan; and, be it

Further Resolved, That the proper City officials are authorized 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. 99, which is Exhibit 7 of the Plan; and, be it

Further Resolved, That:

1. The City Clerk is 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 directed to identify upon the assessment roll, returned and examined under Section 70.45, Wisconsin Statutes, those parcels of property which are within the TID specifying thereon the name of the District.

b. The City Clerk is 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. The Joy Farms District shall be designated Tax Incremental District No. 99.

4. 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. 99 Project Account, No. 0336-1910-TD09980000, to appropriate tax incremental collections equal to the total required to repay the City's monetary obligation to Developer, as provided for in the Term Sheet for the District, in such amounts as set forth in the Plan as shall be necessary to implement the Plan.

5. The City Comptroller is directed 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; and, be it

Further Resolved, That the proper City officials are directed to execute any additional documents and instruments necessary, including an Out of Program Agreement, to carry out the provisions of the Development Agreement and implement the Project Plan.

DCD:Lori.Lutzka:lal

06/18/19/A