



Legislation Text

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ORIGINAL

011240, 110324, 090325, 140437

ALD. BAUMAN, HAMILTON AND DODD

Resolution approving Amendment No. 2 to the Project Plan for Tax Incremental District No. 49 (Cathedral Place), in the 4th Aldermanic District, to allow donations to Tax Incremental District No. 74 (North 35th Street and West Capitol Drive), in the 7th Aldermanic District, and authorizing additional public infrastructure expenditures within the one-half mile radius of the Tax Incremental District No. 49 boundary.

This resolution approves Amendment No. 2 to the Project Plan for Tax Incremental District No. 49 (Cathedral Place) to allow donation to Tax Incremental District No. 74 (North 35th Street and West Capitol Drive) of up to \$7,754,926 and to provide up to an additional \$1,850,000 in funding for public infrastructure improvements within a one-half mile radius of the Tax Incremental District No. 49 boundary.

Whereas, On March 5, 2002, the Common Council of the City of Milwaukee ("Common Council") adopted File No. 011240, which approved a Project Plan and created Tax Incremental District No. 49 (Cathedral Place) ("TID 49") to facilitate the development of the Cathedral Place project; and,

Whereas, On July 26, 2011, the Common Council adopted File No. 110324, which approved Amendment No. 1 ("Amendment 1") to the TID 49 Project Plan to provide funding for the Milwaukee Streetcar Project; and

Whereas, On September 1, 2009, the Common Council adopted File No. 090325, which approved a Project Plan and created Tax Incremental District No. 74 (North 35th Street and West Capitol Drive) ("TID 74") to assist in the redevelopment of the former Tower Automotive Site; and

Whereas, On July 22, 2014, the Common Council adopted File No. 140437, which approved Amendment 1 to the TID 74 Project Plan to reset TID 74's base value; and

Whereas, To date, TID 74 has not generated any incremental value despite the re-determination of its base in 2014; and

Whereas, TID 49 and TID 74 remain in existence and have not been statutorily terminated; and

Whereas, City Department of City Development ("DCD") staff recommended that TID 49's Project Plan be amended under Wis. Stat. 66.1105(4)(h)1, with approval by the Common Council, the Redevelopment Authority of the City of Milwaukee ("RACM") and the Joint Review Board, and with the findings in 66.1105(4)(g):

1. To donate up to \$7,754,926 from TID 49 to TID 74 by allocating positive tax increments from TID 49 to TID 74 for each of years 2020-2024 as allowed by Wis. Stat. 66.1105(6)(f),

and

2. To also include using TID 49 increment to fund up to \$1,850,000 in public infrastructure improvements within a one-half mile radius of TID 49's boundary as allowed by Wis. Stat. 66.1105(2)(f)1.n. and by 66.1105(4m)(d); and

Whereas, In accordance with those recommendations, Amendment No. 2 ("Amendment 2") to the TID 49 Project Plan was prepared, a copy of which is attached to this Common Council File; and

Whereas, As Amendment 2 indicates, the proposed donation from TID 49 to TID 74 meets the requirements in Wis. Stat. 66.1105(6)(f) (TID 49 and 74 both were created by RACM and approved by the common Council and TID 49 and 74 have the same overlying taxing jurisdictions, TID 74 was created upon a finding that not less than 50 percent by area of real property within TID 74 is blighted and in need of rehabilitation, TID 49 will first satisfy its current year debt service and project cost obligations before the allocation of increment from TID 49 to TID 74, and the life of TID 49 will not be extended), and Amendment 2 lists the proposed donation amounts and methodology to calculate those donation amounts; and

Whereas, Amendment 2 lists the type of public infrastructure improvements to be made within the one-half mile radius of TID 49's boundaries to be included as TID 49 project costs and shows the area that those improvements will be made in, all as allowed by Wis. Stat. 66.1105(2)(f)1.n.; and

Whereas, Per Wis. Stat. 66.1105(4)(h)1., on February 20, 2020, RACM conducted a public hearing and approved Amendment 2, directing its submittal to the Common Council and Joint Review Board for approval; now, therefore, be it

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

1. Amendment 2 retains the existing boundaries of TID 49 and does not alter the number of properties within TID 49. Therefore, the findings made in File No. 090564 pursuant to Wis. Stat. 66.1105(4)(gm)1 and 4 are unchanged. However, Amendment 2 allows as TID 49 project costs expenditures within a one-half mile radius of TID 49's boundary as allowed by Wis. Stat. 66.1105(2)(f)1.n.

2. Amendment 2 revises project costs to be supported by TID 49 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. Per Wis. Stat. 66.1105(4)(h)1., in accordance with 66.1105(4)(g), the Common Council finds that the TID 49 plan as amended by Amendment 2, is feasible and in conformity with the City's Master Plan.

4. The percentage of the aggregate value of the equalized taxable property of TID 49, plus the incremental value of all other existing Tax Incremental Districts within the City, 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 Amendment 2 is approved 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 the approval of Amendment 2 pursuant to Wis.

Stat. 66.1105(5).

2. The City Comptroller is directed to transfer the sum of up to \$1,850,000, plus capitalized interest for two years, if necessary, from the Parent TID Account to the Project Account No. 0336-1910-TD04980000 for the purpose of providing a portion of the necessary funding for implementation of Amendment 2.

3. The City Comptroller is directed to transfer the tax incremental revenue received by TID 49 to such accounts appropriate for TID 74, as shown in and contemplated by Amendment 2 and the calculation methodology reflected therein.

4. The City Comptroller, in conjunction with the Commissioner of DCD, is directed to perform such acts and to create such accounts and subaccounts and make appropriate transfers, upon written request by DCD, 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 to carry out the purposes of Amendment 2, including, without limitation, a Grant Agreement with Milwaukee Downtown, Inc., Cathedral Square Friends, Inc., Milwaukee County or related entities for the public infrastructure improvements.

DCD:Dan.Casanova:dac
02/11/20/A