



## Legislation Text

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**File #: 200378, Version: 0**

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200378

ORIGINAL

150383

ALD. BAUMAN, HAMILTON, and COGGS

Resolution approving Amendment No. 1 to the Project Plan, a Development Agreement and authorizing expenditures for Tax Incremental District No. 84 (West McKinley and West Juneau), in the 4th and 6th Aldermanic Districts.

Tax Incremental District No. 84 was created in 2015 for the purpose of providing a \$20,000,000 contribution to the Bucks Arena (now known as Fiserv Forum). The District provided a \$12,000,000 grant to the public plaza adjacent to Fiserv Forum and an \$8,000,000 developer-financed grant towards the new parking structure built to the north of Fiserv Forum.

Amendment No. 1 would provide \$1,000,000 for façade restoration and affordable students housing units at the Journal Square Project. JS1962 Holdings LLC, a subsidiary of J. Jeffers and Co. and the Developer of the Journal Square Project, will advance \$1,000,000 for the project. The Tax Incremental District will fund an annual payment to the Developer for a period of up to 10 years, equal to 100 percent of any incremental property taxes (less \$7,500 in annual expenses), resulting from the increased taxable value of real and personal property from the Journal Square Project, not to exceed an amount sufficient to repay up to \$1,000,000, at 4.5 percent interest.

Whereas, On September 22, 2015, the Common Council of the City of Milwaukee ("Common Council") adopted File No. 150383, which approved a Project Plan and created Tax Incremental District No. 84 (West McKinley and West Juneau) (the "District"); and

Whereas, Pursuant to Section 66.1105(4)(h)(1), Wisconsin Statutes, on July 16, 2020, the Redevelopment Authority of the City of Milwaukee ("Authority") conducted a public hearing on Amendment No. 1 to the Project Plan for the District ("Amendment"), approved the Amendment by resolution and submitted the 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 (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, Per Section 66.1105(5)(b), Wisconsin Statutes, 10 percent of the territory within the District will be devoted to retail business at the end of the maximum expenditure period; now, therefore, be it

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

1. The Amendment retains the existing boundaries of the District and does not alter the number of properties within the District. Therefore, the findings made in File No.

150184, 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. The improvement and/or development of such area are/is likely to enhance significantly the value of substantially all of the other real property in and adjoining the District.

3. The 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)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 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 the Amendment is approved and the Project Plan for the 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 the approval of this Amendment pursuant to the provisions of Section 66.1105(5), Wisconsin Statutes.

2. Relative to the \$1,000,000 Developer-funded contribution provided for in the Amendment, 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 Project Account, No. 0336-1910-TD08480000, to appropriate tax incremental collections equal to the total required to repay the City's monetary obligation to the Developer, as provided in the Term Sheet for the District, in such amounts as set forth in the Amendment, as shall be necessary to implement the Amendment.

3. 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 enter into a Development Agreement for the purposes of implementing the Amendment on terms substantially in accordance with the Journal Square Term Sheet for TID No. 84, which is Exhibit 7 of the Plan; 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 the Amendment including, without limitation, amendment to the Milwaukee Bucks Arena Project Cooperation, Contribution and Development Agreement.

DCD:Dan.Casanova:dac  
07/07/20/A