



Legislation Text

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ORIGINAL

030094, 050276, 051275, 060893, 081418

ALD. STAMPER

Resolution approving Amendment No. 1 to the Project Plan for Tax Incremental District No. 52 (Sigma-Aldrich Corp.), in the 1st Aldermanic District, to allow donations to Tax Incremental District No. 58 (20th & Walnut), Tax Incremental District No. 65 (20th & Brown), and Tax Incremental District No. 66 (Metcalf Park Homes), in the 15th Aldermanic District.

The Common Council created Tax Incremental District No. 52 in 2003 by adoption of File No. 030094 to assist in the relocation costs, including but not limited to environmental remediation, extraordinary site improvements, stormwater management and traffic improvements associated with the relocation of Sigma-Aldrich Corporation as a result of the Marquette Interchange project.

Amendment No. 1 to the Project Plan for TID No. 52 will approve donating funds from TID No. 52 to TID No. 58 (20th & Walnut), to TID No. 65 (20th & Brown) and to TID No. 66 (Metcalf Park Homes). Due to a significant downturn in the economy in 2008, TID Nos. 58, 65 and 66 have not generated the anticipated incremental revenue and there are no immediate prospects for redevelopment within the districts, which would produce such an increment. It is proposed that TID No. 52 donate sufficient revenue to these districts to completely retire their project costs and to cause the districts to be closed out. TID No. 52 has sufficient surplus revenue to accomplish this with donation.

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, Boundaries and a Project Plan for Tax Incremental District ("TID" or "District") No. 52 were approved by the Redevelopment Authority of the City of Milwaukee ("Authority") and the Common Council of the City of Milwaukee ("Common Council") in 2003; and

Whereas, Section 66.1105(6)(f), Wisconsin Statutes, allows tax incremental districts, under certain circumstances, to donate revenues to other tax incremental districts in the same municipality, and, generally, these circumstances are:

The "Donor" and the "Recipient" districts must have the same overlying taxing jurisdictions.

The amendment to donate funds must be made before the Donor district has recovered all of its project costs.

The Recipient district must have been created upon a finding that not less than 50 percent, by area, of the real property in the district is blighted, or is in need of rehabilitation; or, its Project Plan provided funds to create or rehabilitate low-cost housing or to remediate environmental contamination.

The Donor district, once established, cannot request or receive an extension to its life.

The amount of the donated funds may not exceed the difference between the annual tax incremental revenue collected by the Donor district and the funds needed to pay the Donor's project costs or debt service in that year.

Allocations of tax increment from the Donor district to a Recipient district must be approved by the Joint Review Board; and

Whereas, Amendment No. 1 to the Project Plan for TID No. 52 proposes specific donations to TID No. 58 (20th & Walnut), to TID No. 65 (20th & Brown) and to TID No. 66 (Metcalf Park Homes), in such amounts necessary to fully repay their project costs and close-out these districts; and

Whereas, On February 18, 2021, pursuant to Section 66.1105(4)(h)1, Wisconsin Statutes, and following the required notice and public hearing, the Authority recommended adoption of Amendment No. 1 to the Project Plan for TID No. 52 ("Amendment" or "Amendment No. 1"), 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 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. 030094, pursuant to Section 66.1105(4)(gm)l 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 purposes 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, 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 by the Common Council and that 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, pursuant to Sections 66.1105(4)(g) and (4)(h)(1), Wisconsin Statutes; and, be it

Further Resolved, That the appropriate City officials, including the City Attorney, Commissioner of the Department of City Development ("DCD"), Commissioner of Public Works and the City Comptroller, are directed to enter into such agreements, as necessary, to accomplish the purposes of the Amendment; 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. 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.

3. The City Comptroller is directed to transfer tax incremental revenue received by TID No. 52, in the amounts set forth in Amendment No. 1, to such accounts as are appropriate for TID No. 58, TID No. 65 and TID No. 66.

DCD:Alyssa.Remington:aer
03/02/21/B