



Legislation Text

File #: 210452, **Version:** 1

210452

SUBSTITUTE 1

The Chair

Substitute resolution authorizing granting and entering into a ground lease of certain Port Milwaukee property for the purpose of developing an agricultural terminal and related improvements.

This resolution authorizes the leasing of land relating to the proposed agricultural terminal so that improvements can be made and leased to the Port.

Whereas, certain property owned by the City of Milwaukee (“the City”) comprised of three parcels on the Port Milwaukee’s South Harbor Tract of Jones Island (the “Redevelopment Property”) has been declared to be blighted pursuant to Section 66.1333(2M) (bm), Wisconsin Statutes, in Resolution No. 10075 adopted by the Redevelopment Authority of the City of Milwaukee (“RACM”); and

Whereas, the City desires to aid in the improvement and development of the Redevelopment Property; and

Whereas, the DeLong Company, Inc. is working with Port Milwaukee to construct a \$31 million agricultural export facility at the Port that will receive, handle, store, package, and deliver agribusiness products and commodities (the “DeLong Project”); and

Whereas, Port Milwaukee and the DeLong Company, Inc. have been awarded a U.S. Department of Transportation - Port Infrastructure Development Program (PIDP) grant and a State of Wisconsin - Harbor Assistance Program (HAP) grant, respectively, totaling nearly \$21 million that requires the DeLong Company, Inc. to invest over \$6.2 million in the DeLong Project and requires that Port Milwaukee/City to provide financing of at least \$4.3 million; and

Whereas, pursuant to Resolution File no. 200698 adopted October 13, 2020 by the Common Council of the City, the City, acting by and through its Board of Harbor Commissioners (the “BHC”), has entered into a Cooperation Agreement (DeLong Project Financing) dated as of October 23, 2020 with RACM to provide the most efficient and cost effective financing of the Port’s portion of the DeLong Project; and

Whereas, the City and RACM desire to enter into a Ground Lease with a term no longer than twelve (12) years whereby the Redevelopment Property is ground leased to RACM to provide for financing of the Redevelopment Property by RACM in accordance with the Cooperation Agreement; and

Whereas, a Ground Lease is on file with the City; and

Whereas, on August 12, 2021, the BHC consented to the Ground Lease; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee that the Ground Lease on file with the City is hereby approved and the proper officers of the City are hereby authorized and directed to execute and deliver such Ground Lease on behalf of the City with such changes as may be recommended and approved by the City Attorney in consultation with the City Comptroller.

Comptroller

Comptroller

RSL

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