



Legislation Text

File #: 01155, Version: 1

Fiscal Note

Please see attached fiscal note.

Title

Authorizing the City to apply for a State DOT Transportation Facilities Economic Assistance Grant and authorizing the Mayor and City Clerk to execute a Transportation Economic Assistance Jobs Guarantee with the State DOT and to execute a Project Agreement with Covance Laboratories, Inc. for a transportation infrastructure project on Pearson, Pierstorff and Wright Streets.

Body

WHEREAS, Covance Laboratories, Inc., a Delaware corporation (Covance) desires to expand and improve its toxicology facility located at 5301 Kinsman Boulevard (the Project); and

WHEREAS, certain transportation infrastructure improvements, including road, storm sewer and sidewalk improvements will be required to support the Project; and

WHEREAS, in order to fund a portion of the transportation infrastructure improvements, the City shall apply to the State of Wisconsin Department of Transportation (DOT), through its Transportation Facilities Economic Assistance and Development Program (TEA) for a grant in an amount not to exceed \$900,376 (TEA Grant); and

WHEREAS, the portion of transportation infrastructure improvements not financed by DOT will be paid for by the City and Covance and other benefited property owners through special assessments, determined in accordance with the City's special assessment policy; and

WHEREAS, in order to ensure that the TEA grant benefiting Covance is in the public interest and is an effective economic tool, DOT requires that the City enter into a Transportation Economic Assistance Jobs Guarantee Agreement in which the City will be obligated to reimburse DOT for up to the full amount of the TEA Grant if either of the following occurs:

- (a) Covance fails to retain 125 existing jobs and create 181 jobs at the Project site within three years of the date the grant agreement between DOT and Covance is executed; or
- (b) Covance fails to retain 306 jobs at the Project site seven years after the agreement between DOT and Covance is executed; and

WHEREAS, if Covance fails to meet the jobs creation or jobs retention tests set forth above and the City reimburses DOT for the TEA Grant, Covance will be obligated, pursuant to a Project Agreement between the City and Covance, to reimburse the City for the full amount of the City's payment to DOT; and

WHEREAS, such obligation of Covance to repay the City will be unsecured.

NOW, THEREFORE, BE IT RESOLVED, that:

1. Approval of TEA Grant Application. The Common Council does hereby approve and endorse the TEA Grant application to DOT for funding of transportation infrastructure improvements to be constructed on Pearson, Pierstorff and Wright Streets, and authorizes the acceptance of such grant.
2. Approval of Transportation Assistance Jobs Guarantee Agreement. The Common Council does hereby approve of the Transportation Assistance Jobs Guarantee Agreement, and authorizes the Mayor and City Clerk to execute the Agreement, subject to the approval of the City Attorney.
3. Approval of Project Agreement with Covance. The Common Council does hereby approve of the Project Agreement, and authorizes the Mayor and City Clerk to execute the Agreement, subject to the approval of the City Attorney.
4. City Jurisdiction. The City shall have jurisdictional responsibility for the transportation infrastructure improvements constructed on Pearson, Pierstorff and Wright Streets, and will oversee and administer such improvements.
5. General Authorization. The Mayor and City Clerk and the appropriate City staff in accordance with their assigned responsibilities are hereby each authorized to execute, deliver and file such other documents, and to take such other actions as shall be necessary to accomplish the purposes of this Resolution.