



Legislation Text

File #: 01006, **Version:** 1

Fiscal Note

See Economic Feasibility Section of the Project Plan

Title

Creating Tax Incremental Finance (TIF) District #34 (Covance) City of Madison and approving a Project Plan and Boundary for said TIF District.

Body

WHEREAS Chapter 105 of the Laws of 1975 of the State of Wisconsin created the Tax Increment Law, Section 66.1105, Wisconsin Statutes; and

WHEREAS said Law sets forth certain steps which must be followed to create a Tax Incremental Finance District and approve a Project Plan; and

WHEREAS Tax Incremental Finance District #34 is described below; and

WHEREAS a Notice of Public Hearing by the Plan Commission to afford interested parties an opportunity to express their views on the creation of the District and the Project Plan for Tax Incremental Finance District #34 was published in the Capital Times on March 18, 2005 and March 25, 2005 as required by said Law; and

WHEREAS prior to publication of the Notice of Public Hearing a copy of the Notice was sent by first-class mail to each of the chief executive officers or administrators of all local governmental entities having the power to levy taxes on property within the proposed Tax Incremental Finance District #34; and

WHEREAS the Plan Commission of the City of Madison held a public hearing on April 4, 2005, at which interested parties were afforded an opportunity to express their views on the proposed Project Plan for Tax Incremental Finance District #34; and

WHEREAS the Plan Commission has made the following findings as indicated in the attached report:

No less than 50%, by area, of the real property within such Tax Incremental District is suitable for industrial development within the meaning of 66.1101(1), Wisconsin Statutes.

The improvement of such area is likely to significantly enhance the value of a substantial portion of the other real property in such District.

The project costs as described in the Project Plan relate directly to promoting industrial development in the area consistent with the purpose for which the Tax Incremental District is created.

The aggregate value of equalized taxable property of the District, plus all existing districts, does not exceed 12% of the total value of equalized taxable property within the City.

Any real property within the District which is suitable for industrial sites and is zoned for industrial use shall remain zoned for industrial use for the life of the District.

Tax Incremental Finance District #34 (Covance) is hereby declared an industrial district.

WHEREAS the Plan Commission has determined that this District meets the basic requirements of City TIF Policy for tax incremental district proposals adopted by the Common Council on April 17, 2001 (insofar as they are applicable to the creation of a district and a project plan), conforms to the Master Plan and the Economic Development Plan for the City of Madison and is consistent with the review criteria adopted at the same time, specifically, that the District supports economic development activities intended to stabilize and diversify the City's economic base.

NOW THEREFORE BE IT RESOLVED that the Common Council of the City of Madison finds that:

No less than 50%, by area, of the real property within such Tax Incremental District is suitable for industrial development within the meaning of Section 66.1101(1), Wisconsin Statutes.

The improvement of such area is likely to significantly enhance the value of a substantial portion of the other real property in such District.

The project costs as described in the Project Plan relate directly to promoting industrial development in the area consistent with the purpose for which the Tax Incremental District is created.

The aggregate value of equalized taxable property of the District, plus all existing districts, does not exceed 12% of the total value of equalized taxable property within the City.

Any real property within the District which is suitable for industrial sites and is zoned for industrial use shall remain zoned for industrial use for the life of the District.

Tax Incremental Finance District #34 (Covance) is hereby declared an industrial district.

BE IT FURTHER RESOLVED that Tax Incremental Finance District #34 (Covance), City of Madison, is hereby created as of January 1, 2005, and that the boundaries for said District are as below-described and as described in the Project Plan and that the boundaries of said District include only whole units of property assessed for general property tax purposes.

BE IT STILL FURTHER RESOLVED that the attached Project Plan for Tax Incremental Finance District #34 (Covance), City of Madison, is hereby adopted as the Project Plan for said District and such plan is feasible and in conformity with the Master Plan and the Economic Development Plan for the City of Madison and will add to the sound growth of the City.

BE IT STILL FURTHER RESOLVED that the Mayor and City Clerk of the City of Madison are hereby authorized to execute any and all documents as approved by the City Attorney to further the objectives of the approved Project Plan.

LEGAL DESCRIPTION - TID #34

A parcel of land being Lots 1, 2, and 3 of Bowman Street Division of Truax Air Park 1, Lots 1, 2, and 4 of Certified Survey Map No. 1390 2, Lot 2 of Certified Survey Map No. 4573 3, Lot 1 and Outlot 1 of Certified Survey Map No. 10391 4, Lots 1 and 2 of Certified Survey Map No. 9509 5, Lots 2 and 3 and part of Lot 1 of Certified Survey Map No. 1479 6, Lots 1, 2, and 3 of Certified Survey Map No. 1389 7, part of North Stoughton Road, part of Pierstorff Street, part of Wright Street, part of Kinsman Boulevard, part of Hoffman Street, and part of Pearson Street, all located in the Northwest Quarter (NW ¼) and the Southwest Quarter (SW ¼) of the Southwest Quarter (SW ¼), of Section Twenty-eight (28), the Northeast Quarter (NE ¼), the Southeast Quarter (SE ¼), the Southwest Quarter (SW ¼), and the Northwest Quarter (NW ¼) of the Southeast Quarter (SE ¼), the Northeast Quarter (NE ¼) and the Southeast Quarter (SE ¼) of the Southwest Quarter (SW ¼), the Southeast Quarter (SE ¼) of the Northwest Quarter (NW ¼), and the Southeast Quarter (SE ¼) and the Southwest Quarter (SW ¼) of the Northeast Quarter (NE ¼) of Section Twenty-nine (29), Township Eight North (T8N), Range Ten East (R10E) of the Fourth Principal Meridian (4PM), City of Madison, Dane County, Wisconsin, more fully described to wit:

Beginning at the intersection of the westerly right of way of said Pearson Street and the northerly right of way of said Pierstorff Street; thence along said northerly right of way of Pierstorff Street, easterly to the West Line of the Northwest Quarter (NW ¼) of said Section Twenty-eight (28) (said point also being on a line common to the Town of Burke and the City of Madison, hereinafter referred to as Municipal Boundary), thence along said West line, and along said Municipal Boundary, southerly to the West Quarter (W ¼) corner of said Section Twenty-eight (28); thence along the South line of said Northwest Quarter (NW ¼) of Section Twenty-eight (28), and continuing along said Municipal Boundary, easterly to the easterly right of way of said North Stoughton Road; thence along said easterly right of way of North Stoughton Road, southerly to the easterly elongation of the southerly line of said Lot 1 of Certified Survey Map No. 1389; thence along said easterly elongation, and along said southerly line, westerly to the southwesterly corner of said Lot 1 of Certified Survey Map No. 1389 (said point being on the easterly right of said Wright Street); thence across said Wright Street, westerly to the southeasterly corner of said Lot 2 of Certified Survey Map No. 1479 (said point being on the westerly right of way of said Wright Street); thence along the southerly line of said Lot 2 of Certified Survey Map No. 1479, westerly to the southwesterly corner of said Lot 2 of Certified Survey Map No. 1479 (said point being on the easterly right of way of said

Hoffman Street); thence across said Hoffman Street, westerly to the southeasterly corner of said Lot 1 of Certified Survey Map No. 9509 (said point being on the westerly right of way of said Hoffman Street); thence along the southerly line of said Lot 1 of Certified Survey Map No. 9509, and along the southerly line of said Lot 2 of Certified Survey Map No. 9509, westerly to the southwestly corner of said Lot 2 of Certified Survey Map No. 9509 (said point being on the easterly right of way of said Pearson Street); thence across said Pearson Street in a perpendicular direction to the westerly right of way of said Pearson Street, westerly to said westerly right of way of Pearson Street; thence along said westerly right of way of Pearson Street, northerly to the point of beginning.

Said Parcel of land includes those lands in Dane County that have the following tax parcel numbers:

0810-294-0079-4
0810-294-0079-4
0810-294-0083-5
0810-294-0085-1
0810-294-0087-7
0810-294-0088-5
0810-294-0089-3
0810-294-0090-0
0810-294-0093-4
0810-294-0094-2
0810-294-0095-0
0810-294-0096-8
0810-294-0097-6
0810-294-0099-2
0810-294-0101-5
0810-294-0201-3

The attached project plan is on file in the City Clerks Office.

**TID #34 (Covance)
Report to the City of Madison Common Council
April 19, 2005**

Required Findings (Wis. Stats. 66.1105 (4)(gm) 4) and 66.1105 (4) (gm) 5

Improvement of the area is likely to enhance other property in the district.

Equalized value limits.

TIF Policy #8: Guidelines for Creating TIF Districts

Adopt a creation resolution in conformance with 66.1105 4(gm)4.

Economic generator(s) with a completion value of at least \$3 million.

May create for sole purpose of funding improvements.

The proposed TID is consistent with adopted City plans.

Comments

A total of **\$6,741,000** of project costs is estimated for the district, including \$1,629,850 of anticipated, near-term public improvements and \$3,278,150 of discretionary public improvements that enhance the quality of life in the neighborhood and encourage further enhancement of property in the district. There is also \$588,900 in assessable costs. See pages 1-4 of the project plan.

The proposed TID must not exceed the following value limit: The equalized value of the district plus all existing districts shall not exceed 12% of the total equalized value of the City. Based upon the most current 2004 equalized value data, these respective values are \$512,218,850, comprising 6.40% against the 12% limit.

Comments

The creation resolution is in conformance with this paragraph of the TIF Law, as demonstrated above.

Staff estimates that the initial generator(s), would have an incremental value of \$25,000,000.

The City, at its discretion, may expend TIF funds for the sole purpose of funding only the estimated \$1,629,850 of anticipated public improvements.

See pages 4-5 of the project plan.