



Legislation Text

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Fiscal Note

As part of a Cooperative Plan between the City of Madison (City) and the Town of Blooming Grove (Town), a 70-acre piece of property is to be developed jointly between the two municipalities. Under the arrangement, the property would initially develop in the Town on City water and sewer; eventually transitioning to the City after a period of time. The proposed resolution allows the property to be attached to the City sooner than is allowed in the current plan and establishes a revenue sharing agreement if this occurs. Under this revenue sharing agreement, the City would pay 50% of local tax revenue from the property to the Town through 2027. If the property is moved into a Tax Incremental District (TID), the City would pay to the Town 50% of local revenue that would have been collected against the property if it was not in the TID. Any revenue sharing arrangements occurring from this resolution would need to be reflected in future budgets.

Title

Authorizing the City to Enter into an Intermediate Attachment and Revenue Sharing Agreement with the Town of Blooming Grove.

Body

WHEREAS, on June 21, 2006, the City and the Town of Blooming Grove (the "Town") entered into the "Town of Blooming Grove and City of Madison Cooperative Plan under Section 66.0307, Wisconsin Statutes" (the "Cooperative Plan"), which Cooperative Plan was approved by the Department of Administration, as required by Wis. Stat. Sec. 66.0307(5), on October 3, 2006; and,

WHEREAS, the Cooperative Plan provides for a series of attachments of Town territory to the City during the planning period, including immediate attachments, intermediate attachments, phased attachments and a final attachment of all the territory remaining in the Town to occur at 11:59 p.m. on October 31, 2027, at which point the Town will dissolve; and,

WHEREAS, the Cooperative Plan also set aside a 70-acre piece of property north of Milwaukee Street and along and including the East Branch of Starkweather Creek as the "Cooperative Development Property", which property was intended to be developed under the joint zoning and development review oversight of the City and the Town, that would initially develop in the Town on City water and City sewer, and eventually transition to the City after a certain period of time passed and development occurred; and,

WHEREAS, the anticipated development of the Cooperative Development Property has not occurred as originally contemplated by the City and the Town in 2006 when the Cooperative Plan was entered into; and,

WHEREAS, the property owners of the Cooperative Development Property have informed the City and the Town that the provisions in the Cooperative Plan relating to the Cooperative Development Property are impacting the marketability and developability of the property and that they would like the ability to attach to the City sooner and easier than is allowed for under the Cooperative Plan; and,

WHEREAS, the City and the Town are in agreement that the terms in the Cooperative Development Plan relating to the Cooperative Development Property are no longer in the best interests of the City, the Town and the property owners, and that it would be in all parties' best interests if the City and Town were able to reach an alternative agreement that would allow for the earlier attachment of the Cooperative Development Property to the City than provided for by the Cooperative Plan; and,

WHEREAS, the City and the Town have come to terms on an amendment to the Cooperative Plan that would allow the City and the Town to enter into an intergovernmental agreement to allow for the earlier attachment of the Cooperative Development Property to the City and an alternate revenue sharing agreement with the Town; and,

WHEREAS, the City and the Town have come to terms on an intergovernmental agreement that would allow for the intermediate attachment of the Cooperative Development Property to the City following the submission of an attachment petition to the City by the owners of the Property, which agreement would include a revenue sharing term that would see the City sharing its local tax revenue with the Town from attachment through the dissolution of the Town in 2027, or, if the Cooperative Development Property is placed in a tax increment district (a TID), paying the Town the amount of local tax revenue that the City would have received if the property wasn't in a TID; and,

WHEREAS, the intermediate attachment of the Cooperative Development Property and resulting revenue sharing agreement with the Town are in the City's best interests.

NOW THEREFORE, BE IT HEREBY RESOLVED, that the Mayor and City Clerk are authorized to execute the Intermediate Attachment and Revenue Sharing Agreement for the Cooperative Development Property with the Town of Blooming Grove, in a format that is approved by the City Attorney, and that is consistent with the agreement attached hereto and incorporated herein.