

Redevelopment Authority of the City of Milwaukee

Resolution No.: 10326
Adopted on: December 15, 2011
Project / Area: TID No. 64 (Direct Supply)
Aldermanic District: 9th

Resolution approving amendment to Cooperation, Contribution, and Development Agreement for Tax Incremental District No. 64 (Direct Supply), in the 9th Aldermanic District.

Whereas, On July 12, 2006, the Common Council created Tax Incremental District No. 64 for the purposes of assisting Direct Supply, Inc. to expand at its current location on N. Industrial Rd. The TID provides reimbursement, but only from actual tax incremental revenue generated by the project, for extraordinary site costs incurred by Direct Supply's landlord in connection with its plans to add approximately 500,000 square feet of office space to its campus; and

Whereas, The Development Agreement between the City, Redevelopment Authority, Direct Supply and KJ Greentree LLC, conditions payment of TID revenue on Direct Supply meeting employment goals for each year from 2006 through 2022; and

Whereas, In 2008, Direct Supply and KJ Greentree completed the first office expansion in the TID, a 109,000s.f. three- story facility, and have incurred \$4,324,000 in extraordinary project site costs, but due to the continuing weakness in the economy, do not expect to achieve employment of 955 Full-time Equivalent Positions, as required by the Development Agreement, by year-end; and

Whereas, The TID has achieved an Incremental Value of \$11,885,000 and generated incremental tax revenue of \$1,138,000 since inception; and

Whereas, The Development Agreement also provides Direct Supply with an option to purchase the DPW facility located at 6660 and 6710 N. Industrial Rd. but due to Direct Supply's slower growth in employment, the company will not need the DPW site before 2014; and

Whereas, The attached amendment to the Development Agreement, in recognition of the impact the current weakness in the economy has had on Direct Supply's expansion plans, proposes to amend the employment milestones and the option to purchase period, as follows:

Period	Employment (FTE) At Period-End
2011-2014	1018
2015-2017	1193
2018-2020	1393
2021-2023	1618
2024-2026	1868

Option to Purchase DPW Facility: January 1, 2014 thru December 31, 2019; and

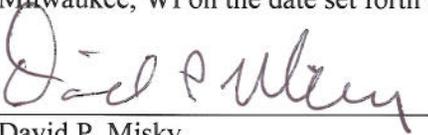
Therefore, be it resolved by the Redevelopment Authority of the City of Milwaukee, that the amendment to the Cooperation, Contribution and Development Agreement for Tax Increment District No. 64, as attached hereto, is hereby approved; and

Further Resolved, That the proper officers of the Redevelopment Authority are authorized and directed to take all necessary actions and provide necessary assistance needed to carry out the intent and purpose of this Resolution.

CERTIFICATION

I certify that the forgoing is a true and exact copy of a resolution adopted by the Redevelopment Authority of the City of Milwaukee, WI on the date set forth above.

(seal)



David P. Misky
Assistant Executive Director – Secretary
