

RESOLUTION 2021-20

REQUESTING FINANCIAL ASSISTANCE THROUGH THE IDLE SITES REDEVELOPMENT PROGRAM TO SUPPORT THE BLACKHAWK JUNCTION REVELOPMENT PROJECT, AUTHORIZING THE CITY ADMINISTRATOR TO ACT ON BEHALF OF THE CITY OF PRAIRIE DU CHIEN AS IT RELATES TO THE GRANT, AND RESOLVING TO MEET ALL FINANCIAL OBLIGATIONS OF THE GRANT

WHEREAS, the City of Prairie du Chien, Crawford County, Wisconsin, hereby requests an Idle Site grant from the Wisconsin Economic Development Corporation for the purpose of assisting the proposed Blackhawk Junction project in Prairie du Chien's downtown area; and

WHEREAS, the property in question is a gateway to the community, a blighted property, and a contaminated site; and

WHEREAS, the Redevelopment Authority of the City of Prairie du Chien acquired the property through blight determination; and

WHEREAS, the redevelopment of the property is expected to ultimately create over \$10 million in new tax base, to expand housing opportunities in the community, and strengthen the commercial core of the City, and

WHEREAS, the 2004 *City of Prairie du Chien Downtown Development Master Plan* specifically identified this property as a high priority redevelopment site, and

WHEREAS, the 2005 *City of Prairie du Chien Comprehensive Plan*, identified the following economic development policies: a) encourage continued downtown revitalization to enhance economic activity and b) promote redevelopment of brownfields/contaminated sites; and

WHEREAS, in 2019 the Redevelopment Authority of the City of Prairie du Chien declared the area blighted and adopted a Redevelopment Plan which included the objectives of housing and commercial redevelopment of the site; and

WHEREAS, the City, RDA, and the Wisconsin Department of Natural Resources have worked together to perform the Phase 1 and Phase Environmental Site Assessments and Further Site Investigations and through an EPA Planning Grant to develop a redevelopment plan for the site, and

WHEREAS, on March 2, 2021, the Common Council created Tax Increment Financing District (TID) #8 and adopted a Project Plan for the TID to support the redevelopment efforts of the site, and

WHEREAS, the Developer of the housing component intends to develop the southern-most four acres of the Redevelopment Area with ninety-six (96) rental apartment units in six buildings to be constructed along with other site improvements such as garages, paving, parking, public

sidewalks, and landscaping in two equal phases of forty-eight (48) units and three buildings per phase; and

WHEREAS, the Developer will start Phase 1 of the development in September of 2021 and Phase 2 no later than August of 2025 with each phase to be completed within 12 months of commencing construction; and

WHEREAS, the Developer intends to spend a minimum of Five Million Seven Hundred Thousand and No/Dollars (\$5,700,000.00) constructing each phase for a total investment of Eleven Million Four Hundred Thousand and No/Dollars (\$11,400,000.00); and

WHEREAS, the City and Developer expect that, upon stabilization, each phase of the Project will have an equalized assessed value, for real and personal property tax purposes of at least Four Million and No/100 Dollars (\$4,000,000) and

WHEREAS, as an inducement for the Developer to develop the Project on the Property, the City and RDA have agreed to provide Developer with grants in the form of land, cash, and a municipal revenue obligation to pay eligible Project costs; and

WHEREAS, the TIF District will contribute approximately \$1.4 million to each Phase of the housing project; and

WHEREAS, the City finds that the construction of the Project and fulfillment, generally, of the terms and conditions of this Agreement, are in the vital and best interests of the City and its residents, by eliminating blight, expanding the tax base and housing, thereby serving public purposes in accordance with state and local law and consistent with the City's Project Plan for the TIF District; and

WHEREAS, Developer has represented to the City and the City finds and determines that but for the City's commitment to provide financial assistance to Developer, the Project would not take place in the City and the City would not accomplish some of the objectives of the TID Plan; and

WHEREAS, the City is authorized to enter into contracts necessary and convenient to implement the purpose of the TIF District, including the ability to issue municipal revenue obligations for the purpose of expanding public infrastructure as provided in Wis. Stat. § 66.0621; and

WHEREAS, the development of the Property as contemplated by this Agreement is necessary and desirable to serve the interests of the City and its residents by eliminating blight, expanding the tax base of the City, and providing additional housing opportunities, all consistent with the purpose of a Tax Incremental Finance District under Wis. Stat. § 66.1105; and

WHEREAS, the City intends to work with one or more parties on developing the remaining northern portion of the Redevelopment Area for multiple commercial businesses; and

WHEREAS, the City is committed to a) the continued redevelopment of Downtown Prairie du Chien; b) the support and growth of the housing in the community, and c) the redevelopment of vacant, blighted, and/or underutilized properties to grow the tax base, to create new jobs, and to support the commercial sector of Prairie du Chien; and

WHEREAS, the City has successfully applied for and administered numerous other state and federal grants; and

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Prairie du Chien to direct and authorize the City Administrator to submit an Idle Sites application to the Wisconsin Economic Development Corporation; to sign all documents; and to take necessary action to undertake, direct, and complete the approved project; and

BE IT FURTHER RESOLVED by the City of Prairie du Chien that the Idle Site funding will be utilized for site preparation specifically razing the large vacant building on the site and performing environmental assessment and remediation of the property; and

BE IT FURTHER RESOLVED by the City of Prairie du Chien that the start date for the Idle Site preparation project is August 1, 2021 (if approved) and the plan is to complete the project in 2021; and

BE IT FURTHER RESOLVED that the City of Prairie du Chien will comply with state and federal rules for the program.

Duly adopted by the Common Council of the City of Prairie du Chien at a legal meeting on the 6th day of July 2021.

By a vote of: _____ in favor, _____ against, and _____ abstain.

David Hemmer, Mayor of the City of Prairie du Chien

ATTEST:

Chad Abram, Administrator of the City of Prairie du Chien