

AMENDMENT NO. 1

**PROJECT PLAN FOR
TAX INCREMENTAL FINANCING DISTRICT NO. 85
(6th and National)**

CITY OF MILWAUKEE

Public Hearing Held: July 15, 2021

Redevelopment Authority Adopted:

Common Council Adopted:

Joint Review Board Adopted:

**AMENDMENT NO. 1 to the PROJECT PLAN for
TAX INCREMENTAL FINANCING DISTRICT NUMBER 85
CITY OF MILWAUKEE
(6th and National)**

Introduction

Wis. Stat. 66.1105 (4)(h)(1) permits the Redevelopment Authority, subject to the approval of the Common Council and Joint Review Board, to amend a project plan for a tax incremental financing district.

Wis. Stat. 66.1105 (2)(f)1.n. permits, with Joint Review Board approval (Wis. Stat. 66.1105 (4m)(d)), inclusion in a project plan project costs incurred for territory located within a one half-mile of the district's boundaries and within the city that created the district.

The Common Council created Tax Incremental District No. 85 (6th and National) (referred to as the "**District**" or "**TID 85**") in 2015 for the purpose of providing \$1,660,000 towards the reconstruction of South 5th Street between West Virginia Street and West Scott Street, bike amenities and \$25,000 for administration. In 2016, an \$815,000 funding increase was approved for the 5th Street reconstruction.

Amendment No. 1 to TID 85 would provide \$900,000 for pedestrian and bike improvements to South 6th Street and West Mineral Street, \$250,000 for preliminary planning, design and engineering for the Walker's Point extension of the Milwaukee Streetcar, \$50,000 for additional bikeshare stations and \$75,000 in administration, totaling \$1,275,000.

Amendments to the TID 85 Project Plan:

The following amendments are made to the TID 85 Project Plan. All other sections of the TID 85 Project Plan remain unchanged.

I. DESCRIPTION OF THE PROJECT

Sub-Section C, "Plan Objectives," is deleted and restated, as follows:

C. Plan Objectives

The District, which comprises a portion of the Walker's Point neighborhood, is one of the top entertainment destinations in the City of Milwaukee (the "City"), and is well known for its popular restaurants, bars and other local businesses. The District also contains one of the best collections of historically significant buildings in the City, with many dating back to the late 1800's. As a result, the Walker's Point National Historic District was created in 1978 to help preserve this unique area.

In 2009, the Near South Side Plan identified the creation of a Cultural, Arts and Entertainment District at 5th/6th Streets and National Avenue as a catalytic project. In 2015, the Walker's Point Strategic Action Plan, identified the development of a creative district or corridor for 5th/6th Streets and National Avenue as a catalytic project and suggested implementing policies and strategies such as: emphasizing sustainable street network principles and complete streets, making Walker's Point a more walkable and bikable community and improving the aesthetics of Walker's Point.

The objectives of this Project Plan are to:

- Implement a catalytic project from the City’s 2015 Walker’s Point Strategic Action Plan, which calls for a creative district or corridor for 5th/6th Streets and National Avenue.
- Implement policies and strategies from the City’s 2015 Walker’s Point Strategic Action Plan, such as: Emphasize sustainable street network principles and complete streets, make Walker’s Point a more walkable and bikable community and improve the aesthetics of Walker’s Point.
- Provide new public infrastructure and bike and pedestrian amenities in the Walker’s Point neighborhood, specifically on South 5th Street and on South 6th Street.
- Increase the tax base of the City by promoting the redevelopment of historic buildings in Walker’s Point, as well as new construction.
- Promote new housing, office and retail development in Walker’s Point.
- Provide public transit improvements to the area, such as an expansion of the streetcar system to Walker’s Point.

This Project Plan may be amended at a future date to assist with the implementation of additional improvements in the District, such as façade grants, streetscaping and other public improvements.

II. PLAN PROPOSALS

Sub-Section A, is deleted and restated as follows:

A. “Statement of the Kind, Number, and Location of All Proposed Public Works or Improvements.”

Funds generated from the District will be used for the following (shown in **Map No. 3, “Proposed Uses and Improvements”**):

- 5th Street Reconstruction: Reconstruction of South 5th Street from approximately West Virginia Street to West Scott Street. Reconstruction will include new pavement, sidewalks, street trees, landscaping, street lighting (including possible harp lights), streetscaping elements and pedestrian amenities. This District would provide \$2,425,000 towards the reconstruction project.
- 6th Street and Mineral Street Improvements: Improvements to South 6th Street from approximately West Virginia Street to West Washington Street (and adjacent blocks) and West Mineral Street from South 2nd Street to South 6th Street, potentially including new pavement, traffic calming elements, sidewalks, street trees, landscaping, street lighting (including possible harp lights), streetscaping elements and pedestrian amenities. The total cost of these improvements is approximately \$900,000.
- Walker’s Point Extension: Fund up to \$250,000 to fund planning, design and engineering of the Walker’s Point Extension of the Milwaukee Streetcar project, within the District and within a one half-mile radius of the District boundary, per Section 66.1105(2)(f) Stats.
- Bike Amenities: Bikeshare stations for the District.

Sub-Section B, is deleted and restated as follows:

The costs included in this subsection and detailed in Table B which follows are, without limitation because of enumeration, eligible project costs as defined under Section 66.1105(2)(f) and, if appropriate, in any development agreement(s) entered into by and between the City and eligible designated developer(s), provided further that such expenditures are necessitated by this Project Plan.

These costs and costs estimates are more fully described as follows:

Capital Costs

The City shall fund an estimated \$3,675,000 in the form of TID Capital Project Costs enumerated in further detail in **Table A** of this Plan.

TABLE A: TID Capital Project Costs	
5th Street Reconstruction, including funding increase	\$2,425,000
6th Street/Mineral Street Improvements (Amend No. 1)	\$900,000
Walker’s Point Streetcar Extension planning/engineering (Amend No. 1)	\$250,000
Bike Amenities (\$50,000 in original, \$50,000 in Amend No. 1)	\$100,000
TOTAL Capital Project Costs	\$3,675,000

Other Costs

This category of Project Costs includes estimates for administrative, professional, organizational, and legal costs.

Financing Costs

Financing costs include estimated gross interest expense on bonds that will be issued to pay for Project Costs. Estimates of bond interest are based on interest rates as set forth in the Economic Feasibility Analysis for this Project attached as **Amended Exhibit 4, “6th and National TID #85 Amendment No. 1 Feasibility.”**

TABLE B: Lists of Estimated Project Costs

A	<u>Capital:</u>	\$3,675,000
B	<u>Other:</u> Administrative, professional, organizational and legal	\$100,000
	Total Estimated Project Costs, excluding financing	\$3,775,000
C	<u>Financing:</u> Interest	\$1,672,000

Sub-Section C, is deleted and restated as follows:

All expenditures are expected to be incurred during the period from 2015-2025.

The City may proceed to fund any or all Project Costs using general obligation bonds or notes, or RACM revenue bonds to be issued in amounts which can be supported using tax increments in the District.

Sub-Section D, is deleted and restated as follows:

The Economic Feasibility Study for this District is attached to this Project Plan as **Amended Exhibit 4, “6th and National TID #85 Amendment No. 1 Feasibility.”** The study establishes the dollar value of the Project Costs which, based on certain general assumptions and a reasonable margin of safety, can be financed with the revenues projected to be generated by the District.

Based upon the anticipated tax incremental revenue to be generated by the District, the District is financially feasible and is likely to be retired on or before year 2029, the 14th year of the District. Accordingly, the District is determined to be feasible.

Sub-Section F, is deleted and restated as follows:

Please refer to **Amended Map No. 3, “Proposed Uses and Improvements”** in the Exhibits Section which follows.

Opinion of City Attorney letter is deleted and replaced with the attached letter from the City Attorney.

Amended Exhibit 4: 6th and National TID #85 Amendment No. 1 Feasibility

No.	Assessment		Budget	Base	Projected	TID	Incremental	Cumulative	Original	New	Total		After reserving	TID
	Year	Year	Year	Value	Value	Incremental Value	Revenue	Inc. Revenue	Debt Service	Debt Service	Cash flow	Cum. Cash Flow	for remaining debt	Payoff
1	2015	2016	2016	32,096,600	32,096,600	-	-	-	(148)		(148)	(148)	(2,177,967)	
2	2016	2017	2017	32,096,600	31,184,400	(912,200)	-	-	(33,530)		(33,530)	(33,678)	(2,211,497)	No
3	2017	2018	2018	32,096,600	30,441,100	(1,655,500)	-	-	(89,191)		(89,191)	(122,869)	(2,300,688)	No
4	2018	2019	2019	32,096,600	37,549,300	5,452,700	151,894	151,894	(92,161)		59,733	(63,136)	(2,240,955)	No
5	2019	2020	2020	32,096,600	39,621,800	7,525,200	207,605	359,499	(92,101)		115,504	52,368	(2,125,451)	No
6	2020	2021	2021	32,096,600	46,127,500	14,030,900	394,545	754,044	(92,041)		302,504	354,872	(1,822,947)	No
7	2021	2022	2022	32,096,600	46,588,775	14,492,175	401,578	1,155,622	(221,996)	(59,590)	119,992	474,864	(1,643,364)	No
8	2022	2023	2023	32,096,600	47,054,663	14,958,063	414,488	1,570,110	(221,698)	(59,590)	133,200	608,064	(1,450,574)	No
9	2023	2024	2024	32,096,600	47,525,209	15,428,609	427,527	1,997,637	(221,734)	(59,590)	146,203	754,267	(1,244,782)	No
10	2024	2025	2025	32,096,600	48,000,461	15,903,861	440,696	2,438,333	(221,797)	(59,590)	159,309	913,576	(1,025,883)	No
11	2025	2026	2026	32,096,600	48,480,466	16,383,866	453,997	2,892,330	(222,648)	(149,189)	82,160	995,736	(794,534)	No
12	2026	2027	2027	32,096,600	48,965,271	16,868,671	467,431	3,359,761	(218,687)	(149,189)	99,555	1,095,290	(545,790)	No
13	2027	2028	2028	32,096,600	49,454,923	17,358,323	480,999	3,840,760	(214,670)	(149,189)	117,140	1,212,430	(279,461)	No
14	2028	2029	2029	32,096,600	49,949,473	17,852,873	494,703	4,335,463	(214,393)	(149,189)	131,121	1,343,551	849	YES
15	2029	2030	2030	32,096,600	50,448,967	18,352,367	508,544	4,844,007	(212,412)	(149,189)	146,943	1,490,494	296,981	YES
16	2030	2031	2031	32,096,600	50,953,457	18,856,857	522,524	5,366,531	(226,455)	(149,189)	146,879	1,637,374	593,050	YES
17	2031	2032	2032	32,096,600	51,462,992	19,366,392	536,643	5,903,173	(225,957)	(149,189)	161,497	1,798,870	903,736	YES
18	2032	2033	2033	32,096,600	51,977,622	19,881,022	550,903	6,454,076	(224,131)	(149,189)	177,583	1,976,453	1,230,508	YES
19	2033	2034	2034	32,096,600	52,497,398	20,400,798	565,306	7,019,382	(223,864)	(149,189)	192,253	2,168,706	1,571,950	YES
20	2034	2035	2035	32,096,600	53,022,372	20,925,772	579,853	7,599,236	(149,189)	(149,189)	430,664	2,599,370	2,151,803	YES
21	2035	2036	2036	32,096,600	53,552,595	21,455,995	594,546	8,193,781	(149,189)	(149,189)	445,357	3,044,727	2,746,349	YES
22	2036	2037	2037	32,096,600	54,088,121	21,991,521	609,385	8,803,166	(149,189)	(149,189)	460,196	3,504,923	3,355,734	YES
23	2037	2038	2038	32,096,600	54,629,003	22,532,403	624,373	9,427,539	(149,189)	(149,189)	475,184	3,980,107	3,980,107	YES
24	2038	2039	2039	32,096,600	55,175,293	23,078,693	639,511	10,067,050			639,511	4,619,617	4,619,617	YES
25	2039	2040	2040	32,096,600	55,727,046	23,630,446	654,800	10,721,849			654,800	5,274,417	5,274,417	YES
26	2040	2041	2041	32,096,600	56,284,316	24,187,716	670,242	11,392,091			670,242	5,944,658	5,944,658	YES
27	2041	2042	2042	32,096,600	56,847,159	24,750,559	685,838	12,077,929			685,838	6,630,496	6,630,496	YES
							12,077,929		(3,269,614)	(2,177,819)	6,630,496			

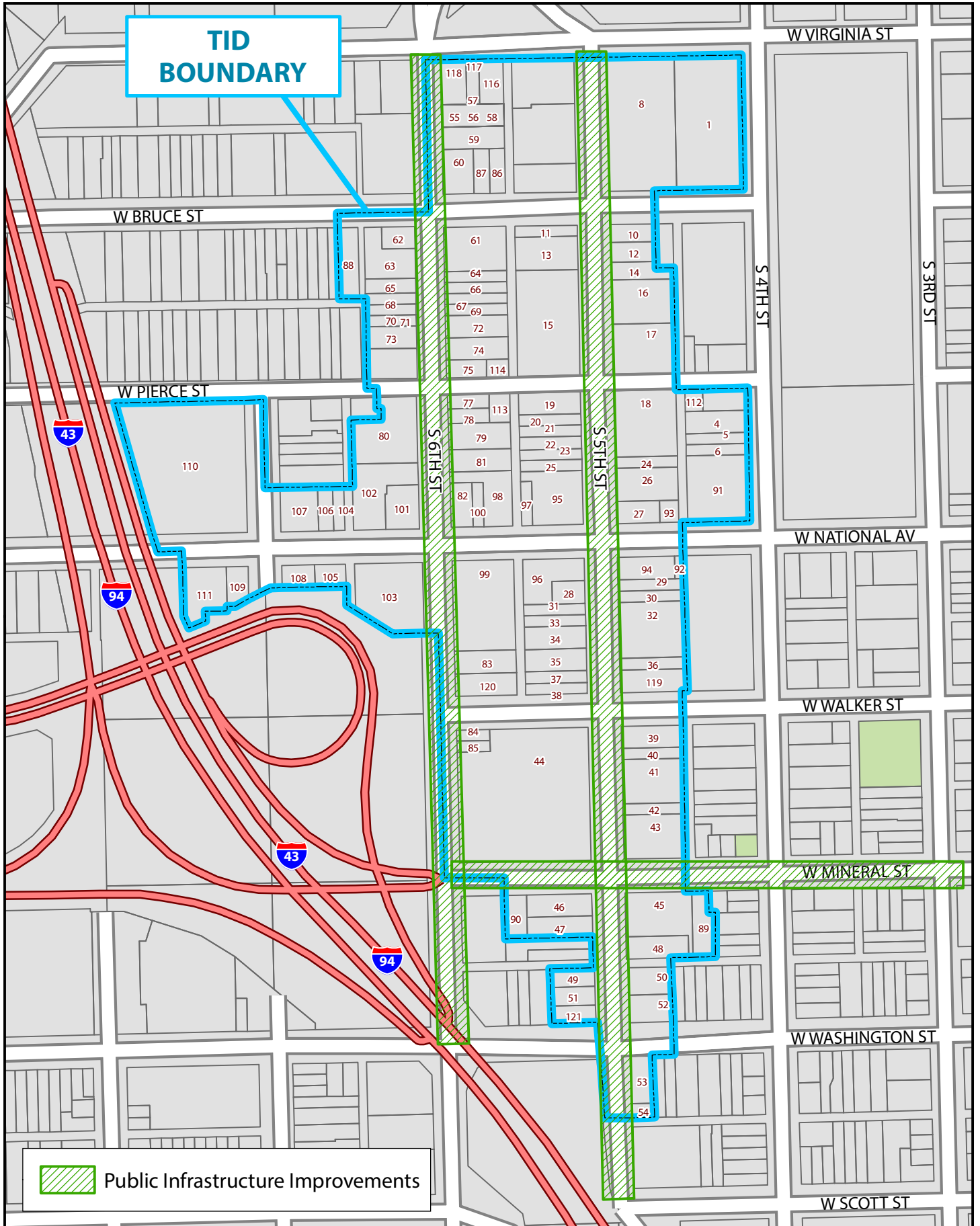
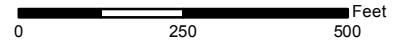
Annual appreciation	1.010
Interest Rate	4.00%
Base Value	32,096,600
Property Tax rate	2.771%
Issuance Costs	14,750
Project Costs	1,475,000


includes apr. \$200k previously approved but not yet spent

TID 85: 6TH STREET AND NATIONAL AVENUE

AMENDED MAP 3: PROPOSED USES AND IMPROVEMENTS

Prepared by the Department of City Development Planning Division, 6/24/2021
Source: DCD Planning Division; City of Milwaukee Information Technology Management Division



 Public Infrastructure Improvements