

AMENDMENT NO. 3 to the Project PLAN for  
 TAX INCREMENTAL DISTRICT NUMBER 44  
 CITY OF MILWAUKEE  
 (Walnut – Locust Neighborhood Improvement Fund)

**Introduction**

Section 66.1105 (4)(h)(1), Wisconsin Statutes, permits the Redevelopment Authority, subject to the approval of the Common Council, to amend the project plan for a tax incremental district. The Common Council created Tax Incremental District Number 44 (TID #44) in June of 2001 for the purpose of facilitating residential redevelopment efforts in the Lindsay Heights neighborhood. Capital funding of \$1,755,000 was provided under the original TID plan to be used for forgivable loans for the construction of new homes and the rehabilitation of existing homes. Funding for the loan pool was received through a Cooperation and Contribution agreement with the Local Initiatives Support Corporation (LISC) and a consortium of local lenders.

In 2004, the common Council approved Amendment #1 to the Project Plan to provide funding for infrastructure, site and green space improvements for 53 new owner occupied homes on a site bounded by North 12<sup>th</sup> Street, North 14<sup>th</sup> Street, West Brown Street and West Lloyd Street.

In 2005, the Common Council approved Amendment #2 to the Project Plan to provide an increase of \$1,000,000 to the capital fund originally created by the TID to provide additional forgivable loans for the construction of new homes and the rehabilitation of existing homes throughout the district.

Amendment #3, would provide an increase of up to \$680,000 to the budget for TID #44 to provide a loan for the development of the Franklin Square Project. Franklin Square is a 37 unit affordable housing development, being co-developed by Brinshore Development Group, LLC and Maures Development Group, LLC, located within the boundaries of TID#44 at the intersection of 15<sup>th</sup> Street and West Center Street. It represents the second phase of the Teutonia Gardens project. Teutonia Gardens was completed in August of 2008 and consists of 24 affordable housing units and ground floor commercial space. Teutonia Gardens currently has an occupancy rate of 100%.

**Changes to the Project Plan**

The following amendment is made to the project plan. All other sections of the plan remain unchanged.

**Add to the text in Section I. D., “Proposed Public Action” by inserting the following in the first paragraph listing the description of purposes :**

Loans to developers for the development of housing.

**Replace Table A in Section II. B. 2. “Detailed List of Estimated Project Costs” with the following:**

Table A  
 List of Estimated Project Costs

A	<b>Capital Costs:</b>	
	<b>To Date:</b>	
	Grant to Redevelopment Authority for forgivable loans for the construction	

	of new Homes and the rehabilitation of existing homes funded through a loan from the Local Initiatives Support Corporation (represents loan repayment, including interest)	\$3,329,438
B	Grant for infrastructure and green space improvements for new single family subdivision development	\$1,751,467
C	Amendment No. 3 – Grants and Loans to the Redevelopment Authority for new housing development.	\$ 650,000
D	Other Administrative, professional, organization, legal and capitalized interest:	
	To Date	\$277,546
	Amendment #3	\$ 30,000
D	Financing - Interest on City bonds	\$1,230,804

**Replace Schedule A in section II.B.3 “Description of Timing and Methods of Financing” with the following:**

Schedule A  
Estimated Timing of Project Costs

<b>Year</b>	<b>Estimated Project Costs</b>	<b>Cumulative Total</b>
2001-2009	\$4,784,013	\$4,784,013
2010	\$ 680,000	\$5,464,013

In Section II.B.3.b “Estimated Method of Financing Project Costs”, under “General obligation bonds or the proceeds of a cooperation agreement: Replace \$4,955,000 with \$5,790,000.

Add to section B.4. “Economic Feasibility Study”:

The Economic Feasibility Study for Amendment No. 3 to this plan, prepared by the Department of City Development and titled Economic Feasibility Study, Tax Incremental District No. 44, Amendment No. 3, October 9, 2009 is on file in the Office of the Redevelopment Authority, 809 North Broadway, Milwaukee, Wisconsin and in the Office of the City Clerk of the City of Milwaukee, 200 East Wells, Street, Room 205, Milwaukee, Wisconsin. The study is incorporated herein by reference. The study establishes the dollar value of project costs, which, based on certain general assumptions and a reasonable margin of safety, could be financed with revenues projected to be generated by the proposed tax incremental district.

Based upon the anticipated tax incremental revenue to be generated by this project, the District shows a cumulative surplus in 2011 and is expected to retire ahead of schedule.