

AMENDMENT NO. 5
to
PROJECT PLAN
for
TAX INCREMENTAL FINANCING DISTRICT NO. 41
(Time Warner Riverwalk)

CITY OF MILWAUKEE

Public Hearing Held:

Redevelopment Authority Adopted:

Common Council Adopted:

Joint Review Board Adopted:

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 financing district.

Section 66.1105(2)(f)1.n., permits that amendment to fund projects located outside, but within one half mile of the district's boundary.

The City of Milwaukee's Common Council created Tax Incremental District No. 41 in 2000 for the purpose of facilitating redevelopment efforts in an area generally bounded by N. King Dr., W. McKinley Ave., W. Pleasant St., and the Milwaukee River. A key redevelopment was the conversion of the former WE Energies power plant into a 150,000 s.f. office building now occupied by Time Warner, Inc. and the construction of a Riverwalk adjacent to the building.

In 2006, the District was amended to construct a city-owned parking ramp and various public & quasi-public improvements, to provide loans and grants in the amount of \$4.7 million for a 280,000 s.f. office facility occupied by Manpower, Inc.'s World Headquarters and to fund a job training program.

In 2013, the District was amended to provide \$1.7 million for the purposes of facilitating improvements to North 2nd Street and reconstructing West Galena Street to allow for vehicular traffic.

In 2016, the District was amended to provide \$8 million toward public infrastructure related to the 4th Street Extension of the Milwaukee Streetcar.

In 2017, the District was amended to provide \$475,000 for the purpose of facilitating the construction of a public Riverwalk connection to North 2nd Street. The amendment also provided \$400,000 in funding for the installation of pedestrian-actuated rectangular rapid flashing beacons (RRFBs) at mid-block street crossings on the Milwaukee Riverwalk.

In 2018, the City of Milwaukee created an "Anti-Displacement Plan" for neighborhoods surrounding downtown Milwaukee that identified neighborhoods vulnerable to displacement. The neighborhood immediately north of downtown was an area exhibiting characteristics that indicated the potential for long term residents to be priced out of their neighborhood because of increasing property values. In reviewing assessment data for the half mile boundary around TID #41, between 2017 and 2022, one and two family property values increased by over 44%.

Amendment 5 to TID #41 would provide \$1 million to fund two strategies from the Anti-Displacement Plan. Specifically, the funds would provide resources to support new homeownership as well as for the creation of new and the preservation of existing affordable rental housing.

This amendment would also provide up to \$5.5 million to fund the design and construction of public infrastructure improvements and other street amenities located within one-half mile of the District's boundaries. The project would include such improvements as median bump-outs, traffic circles and high visibility crosswalks with the intent to calm traffic within the neighborhood and provide a safer environment for pedestrians.

TID 41 has incurred project costs, to date of \$33,256,186, including capitalized interest and has achieved an increase in incremental property value of \$131,890,300.

Amendments to the Project Plan:

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

I. DESCRIPTION OF THE PROJECT

Sub-Section D, “Proposed Public Action” is amended by adding the following:

The City, acting through RACM, now intends to fund the following in connection with Amendment No. 5 to the Project Plan:

- City of Milwaukee’s Anti-Displacement Housing Plan
- Public Infrastructure Improvements and other street amenities within one-half mile of the District’s boundaries

II. PLAN PROPOSALS

Sub-Section B (1)(b), “Compliance with Statutory Requirements”, is amended by adding the following:

“B(1)(b): The number and location of the proposed public works and improvements are shown on **Map No. 3, titled Proposed Improvements and Uses**, and are listed below:

1. Grant to the Redevelopment Authority under section 66.1333(13), Wis. Stats., to provide funding for the design and construction of public infrastructure improvements and other street amenities.
2. Grant to the Redevelopment Authority under section 66.1333(13), Wis. Stats., to fund strategies outlined in the City of Milwaukee’s Anti-Displacement Housing Plan.

Table A of Sub-section B(2), “Detailed List of Estimated Project Costs,” is deleted and restated as follows:

A	Capital Costs To Date:	\$ 33,079,182
B	Other Costs: Administration	\$ 177,004
	Estimated Future Costs:	
	Amendment No. 5: Public Infrastructure & Street Amenities	\$ 5,500,000
C	Housing Resources	\$ 1,000,000
	Total Estimated Project Costs, excluding financing	\$ 39,756,186
D	Financing Costs	\$ 8,814,625

Schedule A of Sub-Section B(3), “Description of Timing and Methods of Financing” is amended by adding the following:

Year	Estimated Project Cost	Cumulative Total
2022	\$6,500,000	\$ 39,756,186

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 4, “Economic Feasibility Study” is deleted and restated as follows:

“4. Economic Feasibility Study

Please see District Breakeven Analysis, attached. Based on the forecast, following the expenditure of the additional funds for public improvements, the District is expected to break even in year 2020, the 20th year of the District. As there are 5 years remaining before the statutory termination date of the District, the District is determined to be feasible

Map No. 3, “Proposed Improvements and Uses,” is replaced with the attached “TID 41: Time Warner Riverwalk, Amended Map No. 3 Proposed Improvements and Uses”.

TID 41 Feasibility

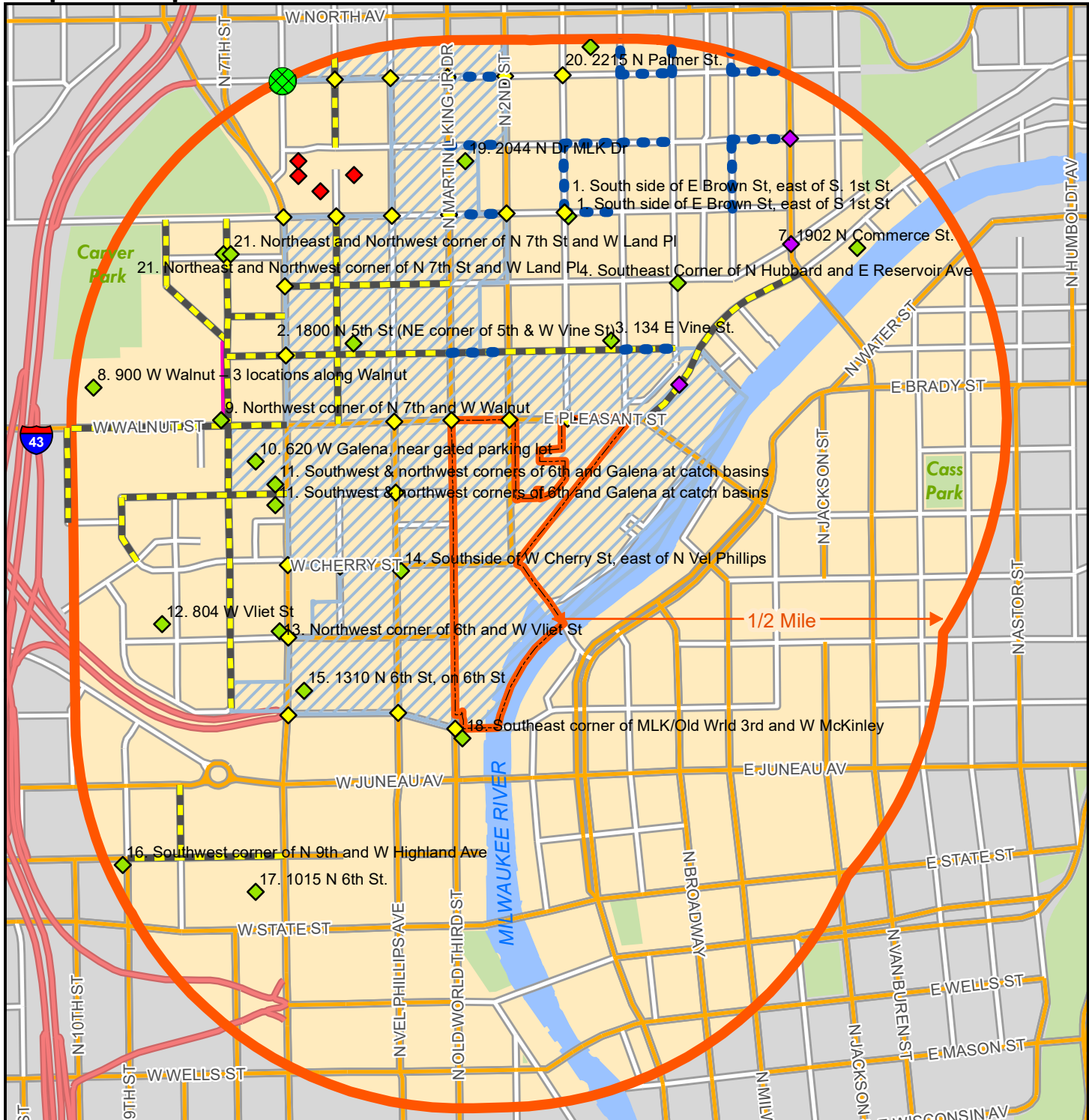
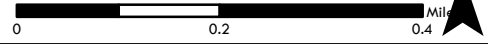
No.	Assessment Year	Budget Year	Base Value	Projected Value	TID Incremental Value	Total Increment	loan repayments & other revenues	Debt Service	Outstanding Project Costs	Total		After reserving for remaining debt Surplus/(deficit)	TID Payoff
										Cash flow	Cum. Cash Flow		
1	2000	2001	10,021,400				45			45	45	(48,570,766)	
2	2001	2002	10,021,400	12,485,600	2,464,200	69,490	48			69,538	69,583	(48,501,228)	No
3	2002	2003	10,021,400	24,459,500	14,438,100	402,339	58			402,397	471,980	(48,098,831)	No
4	2003	2004	10,021,400	20,358,500	10,337,100	272,976	497,662			770,638	1,242,618	(47,328,193)	No
5	2004	2005	10,021,400	80,018,000	69,996,600	1,824,141	369,422			2,193,563	3,436,181	(45,134,630)	No
6	2005	2006	10,021,400	48,546,100	38,524,700	940,376	277,716			1,218,092	4,654,273	(43,916,538)	No
7	2006	2007	10,021,400	66,726,700	56,705,300	1,249,644	389,672	(442,411)		1,196,905	5,851,178	(42,277,222)	No
8	2007	2008	10,021,400	66,387,800	56,366,400	1,266,012	334,113	(1,060,984)		539,141	6,390,319	(40,677,097)	No
9	2008	2009	10,021,400	122,199,200	112,177,800	2,690,694	395,766	(1,131,260)		1,955,200	8,345,519	(37,590,637)	No
10	2009	2010	10,021,400	125,171,000	115,149,600	2,933,716	307,274	(1,422,258)		1,818,732	10,164,251	(34,349,647)	No
11	2010	2011	10,021,400	108,332,500	98,311,100	2,634,212	168,534	(1,842,513)		960,233	11,124,484	(31,546,901)	No
12	2011	2012	10,021,400	124,946,600	114,925,200	3,275,581	306,635	(1,630,554)		1,951,662	13,076,146	(27,964,685)	No
13	2012	2013	10,021,400	121,679,000	111,657,600	3,396,375	388,449	(2,260,362)		1,524,462	14,600,608	(24,179,861)	No
14	2013	2014	10,021,400	121,396,800	111,375,400	3,463,390	368,783	(3,931,982)		(99,809)	14,500,799	(20,347,688)	No
15	2014	2015	10,021,400	118,820,400	108,799,000	3,310,039	330,302	(2,399,238)		1,241,103	15,741,902	(16,707,347)	No
16	2015	2016	10,021,400	108,198,200	98,176,800	2,998,512	419,769	(2,364,914)		1,053,367	16,795,269	(13,289,066)	No
17	2016	2017	10,021,400	116,343,200	106,321,800	3,130,746	2,633,484	(12,696,644)		(6,932,414)	9,862,855	(7,524,836)	No
18	2017	2018	10,021,400	111,480,000	101,458,600	2,995,832	113,224	(1,177,996)		1,931,060	11,793,915	(4,415,780)	No
19	2018	2019	10,021,400	118,571,600	108,550,200	3,023,846	130,409	(1,169,802)		1,984,453	13,778,368	(1,261,525)	No
20	2019	2020	10,021,400	125,023,600	115,002,200	3,172,675	115,871	(4,718,691)		(1,430,145)	12,348,222	2,027,020	YES
21	2020	2021	10,021,400	134,338,500	124,317,100	3,495,766	50,629	(103,835)		3,442,560	15,790,782	5,573,415	YES
22	2021	2022	10,021,400	141,911,700	131,890,300	3,329,477		(102,375)		3,227,102	19,017,885	8,902,893	YES
23	2022	2023	10,021,400	143,330,817	133,309,417	3,364,730		(102,500)	(1,505,886)	1,756,344	20,774,229	12,267,623	YES
24	2023	2024	10,021,400	144,764,125	134,742,725	3,400,906			(1,505,886)	1,895,021	22,669,250	15,668,529	YES
25	2024	2025	10,021,400	146,211,766	136,190,366	3,437,445			(1,505,886)	1,931,559	24,600,809	19,105,974	YES
26	2025	2026	10,021,400	147,673,884	137,652,484	3,474,349			(1,505,886)	1,968,463	26,569,272	22,580,322	YES
27	2026	2027	10,021,400	149,150,623	139,129,223	3,511,622		(2,483,064)	(1,505,886)	(477,328)	26,091,944	26,091,944	YES
						67,064,890	7,597,865	(41,041,383)	(7,529,428)	26,091,944			

Annual appreciation	1.010
Interest Rate	4.75%
Base Value	10,021,400
Property Tax rate	2.524%
Issuance Costs	65,000
Amendment 5	6,500,000

TID 41: TIME WARNER-RIVERWALK, AMENDED MAP NO. 3

Prepared by Dept of City Development Planning
Division, 6/7/2022 Source: City of Milwaukee
Information Technology Management Division

Proposed Improvements and Uses



Project Descriptions

- ◆ Projects (#)
- ◆ High Visibility Crosswalk
- ◆ Pinned On Bump Outs
- ◆ Sidewalk
- ⊗ Traffic Circle
- 22. West Side of N 7th St
- High Impact Project
- Speed Humps
- TID 41
- TID 41 Half Mile Buffer
- Location of Various Street Amenities