

**AMENDMENT NO. 3**

**PROJECT PLAN FOR  
TAX INCREMENTAL FINANCING DISTRICT NO. 49  
(CATHEDRAL PLACE)**

**CITY OF MILWAUKEE**

**Public Hearing Held: February 17, 2022**

**Redevelopment Authority Adopted:**

**Common Council Adopted:**

**Joint Review Board Adopted:**

**AMENDMENT NO. 3 to the PROJECT PLAN for  
TAX INCREMENTAL FINANCING DISTRICT NUMBER 49  
CITY OF MILWAUKEE  
(Cathedral Place)**

**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.

Wis. Stat. 66.1105 (6)(f) allows an existing tax incremental district to donate positive tax increments to another existing tax incremental district if certain conditions are met.

The Common Council created Tax Incremental District No. 49 (Cathedral Place) (referred to as the “**District**” or “**TID 49**”) in 2002 for the purpose of facilitating development of a mixed-use building on the southwest corner of East Wells and North Jackson Streets called Cathedral Place. The building is comprised of 200,000 SF of office space, 24,000 SF of retail, 30 residential condominiums and 940 structured parking spaces. The building was completed in 2003. Funding in the amount of \$25,400,000 was provided from TID 49 to acquire the land, design and construct the parking structure.

Amendment No. 1 to TID 49 was approved in 2011 to provide \$9.7 million from TID 49 for a portion of the local match for the Milwaukee Streetcar Project. In 2018, the initial route of the Milwaukee Streetcar began service.

Amendment No. 2 to TID 49 was approved in 2020 to provide up to \$1,850,000 in funding for public infrastructure improvements around Cathedral Square and to provide up to \$7,754,926 in donations from TID 49 to Tax Incremental District No. 74 (North 35th Street and West Capitol Drive).

Amendment No. 3 to TID 49 provides up to \$1,600,000 to partially fund the design and construction of public infrastructure improvements on North Van Buren Street between East Michigan Street and East Brady Street, as well as on East Kilbourn Avenue between North Jackson Street and North Van Buren Street. The project will include an all ages bike facility, and may include new pavement, traffic calming elements, sidewalks, street trees, landscaping, street lighting (including possible harp lights), streetscaping elements, stormwater management features, bicycle amenities, transit amenities, pedestrian amenities and related professional services. The Amendment also provides \$100,000 in administrative expenses.

**Amendments to the TID 49 Project Plan:**

The following amendments are made to the TID 49 Project Plan. All other sections of the TID 49 Project Plan remain unchanged.

**I. DESCRIPTION OF THE PROJECT**

**Sub-Section C, “Plan Objectives,” is deleted and restated, as follows:**

### C. Plan Objectives

The first Plan objective was to assist in the development of a mixed use development comprised of a 200,000 square foot office building, 24,000 square feet of retail space, 30 residential condominiums totaling 58,700 square feet with an underground parking garage and an approximately 940-stall above grade parking garage. The second Plan objective was to fund the local match for the locally preferred alternative of the Milwaukee Streetcar. The third Plan objective is to provide funding for public infrastructure improvements within a one half-mile radius of the TID 49 District boundaries. The fourth Plan objective is to provide donations of positive tax increments from TID 49 to TID 74.

The more detailed objectives of the Project Plan are to:

1. Increase the attractiveness of Milwaukee's downtown, as an office, shopping and residential location.
2. Strengthen the economic vitality of the downtown by introducing new stores and retailing formats, foster additional housing development, increasing parking supply and transportation alternatives, such as the Milwaukee Streetcar.
3. Promote the coordinated development of vacant or underutilized land for appropriate retail, residential, commercial/office, commercial service, parking and hotel uses.
4. Provide public infrastructure improvements that are not feasible without public/private cooperation, including the Milwaukee Streetcar and improvements to the Cathedral Square area.
5. Eliminate obsolete conditions, blighting influences and environmental deficiencies that impede development and detract from the functionality, aesthetic appearance and economic welfare of this important section of the city.
6. Provide a quality transportation option in the Milwaukee Streetcar, which will help the City attract the investment and talent it needs to strengthen and grow its economy.
7. Create new employment opportunities through short term construction jobs, as well as long term jobs related to the maintenance and operation of the Milwaukee Streetcar.
8. Provide public infrastructure improvements within the one-half mile radius of the TID 49 District boundaries, and specifically within the area shown in **Amended Map No. 3: Proposed Improvements and Uses**.
9. Provide donations to another tax incremental district, TID 74, which has not created sufficient incremental revenue to recover the TID 74 project costs.

**The following paragraphs shall be added to Sub-Section D, "Proposed Public Action":**

**Public Infrastructure Improvements to North Van Buren Street Between East Michigan Street and East Brady Street., as well as on East Kilbourn Avenue between North Jackson Street and North Van Buren Street.** Fund up to \$1,600,000 for public infrastructure improvements within the one half-mile radius of the TID 49 District boundaries, per Wis. Stat. 66.1105(2)(f)(1), and specifically within the area shown in **Amended Map No. 3: Proposed Improvements and Uses**. Public infrastructure improvements may include but are not limited to an all ages bike facility, new pavement, traffic calming elements, sidewalks, street trees, landscaping, street lighting (including possible harp lights), streetscaping elements, stormwater management features, bicycle amenities, transit amenities, pedestrian amenities and related professional services.

## II. PLAN PROPOSALS

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

- A. The following is a description of the kind, number and location of all proposed and completed Public Works or Improvements within the TID 49 District (or in the case of subsection c. below, within a one-half mile radius of TID 49 District boundaries as allowed by Wis. Stat. 66.1105 (2)(f)1.n.):
- a. An eight story, 940 stall parking structure located in the 700 block of North Jackson Street.
  - b. Capital costs associated with the Milwaukee Streetcar Project, including utility relocation, utility upgrades, track installation, pavement, curb bumpouts, stations and other infrastructure.
  - c. Public Infrastructure improvements to the Cathedral Square perimeter (within the one-half mile radius of the TID 49 District boundaries) such as pedestrian amenities, bicycle amenities and infrastructure (including possible bikeshare stations), landscaping, trees, lighting (including possible harp lights), public art, utility work, street repaving and related professional or administrative services.
  - d. Public Infrastructure improvements to North Van Buren Street and East Kilbourn Avenue, within the area shown in **Amended Map No. 3: Proposed Improvements and Uses** (within TID 49 and within the one-half mile radius of the TID 49 District boundaries) such as to an all ages bike facility, new pavement, traffic calming elements, sidewalks, street trees, landscaping, street lighting (including possible harp lights), streetscaping elements, stormwater management features, bicycle amenities, transit amenities, pedestrian amenities and related professional services.

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

**TABLE B: Lists of Estimated Project Costs**

A	<u>Capital:</u> Parking Structure Streetcar Infrastructure (Amend. No. 1) Public Infrastructure (Amend. No. 2) Van Buren/Kilbourn Public Infrastructure (Amend No. 3) Total Capital:	\$25,400,000 \$9,700,000 \$1,850,000 \$1,600,000 \$38,550,000
B	<u>Other:</u> Donations to TID 74 (Amend. No. 2) Administrative Expenses (Amend No. 3)	\$7,754,926 \$100,000
	Total Estimated Project Costs, excluding financing	\$46,404,926
C	<u>Financing:</u> Interest payments	\$782,938

**Sub-Section 3(a), “Description of Timing and Methods of Financing” is deleted and restated, as follows:**

All Amendment No. 3 expenditures are expected to be incurred in 2022-24.

**Sub-Section 3(b), “Estimated Method of Financing Project Costs,” is deleted and restated as follows:**

The City may proceed to fund any or all Project Costs using general obligation bonds or notes, or Redevelopment Authority 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:**

The Economic Feasibility Study for Amendment No. 3 to the District is attached as **Exhibit 1, “Economic Feasibility Study for Amendment No. 3 to the Cathedral Place TID No. 49.”**

Based upon the anticipated tax incremental revenue to be generated by the District, the District is financially feasible and it likely to be retired on or before 2025, the 24th year of the District. Accordingly, the amendment to the District is determined to be feasible.

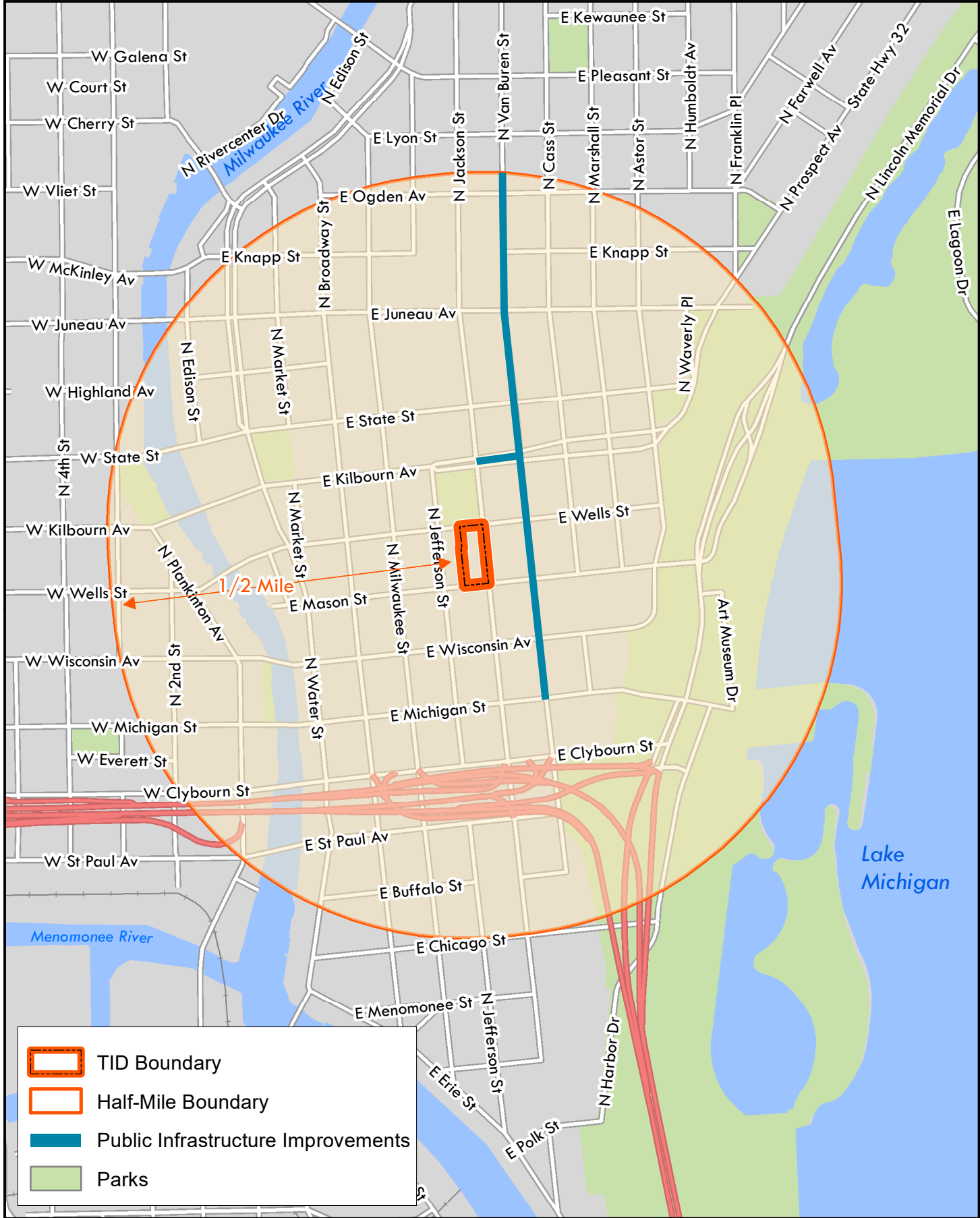
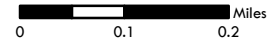
**Sub-Section 6, “Map Showing Proposed Improvements and Uses” Map No. 3 is deleted and replaced with “TID 49: Cathedral Place, Amended Map No. 3: Proposed Improvements and Uses”, attached.**

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

# TID 49: CATHEDRAL PLACE, AMENDED MAP NO. 3

## PROPOSED IMPROVEMENTS AND USES

Prepared by Dept of City Development  
 Planning Division, 1/12/2022  
 Source: City of Milwaukee Information  
 Technology Management Division



- TID Boundary
- Half-Mile Boundary
- Public Infrastructure Improvements
- Parks

**Exhibit 1: Economic Feasibility Study for Amendment No. 3 to the Cathedral Place TID 49**

No.	Assessment Year	Budget Year	Base Value	Projected Value	TID Incremental Value	Total Increment	Cathedral Bond Payments	Original or New Non-Streetcar Projects Debt Service	Streetcar Cash Financed	Revenues	Cathedral Square Debt Service	New Debt Service	Donation to TID 74	Cash flow	Total Cum. Cash Flow	After reserving for remaining debt Surplus/(deficit)	TID Payoff
1	2001	2002	2,052,700	2,052,700	-									-	-	(19,925,744)	
2	2002	2003	2,052,700	2,052,700	-									-	-	(21,928,225)	No
3	2003	2004	2,052,700	2,113,000	60,300	1,592	(1,592)							-	-	(21,928,225)	No
4	2004	2005	2,052,700	5,396,400	3,343,700	87,138	(82,138)							5,000	5,000	(21,923,225)	No
5	2005	2006	2,052,700	40,389,200	38,336,500	935,782	(935,783)			33,512				33,511	38,511	(21,889,714)	No
6	2006	2007	2,052,700	47,853,900	45,801,200	1,009,345	(999,345)			31,138				41,138	79,649	(21,848,576)	No
7	2007	2008	2,052,700	57,282,300	55,229,600	1,240,479	(1,230,479)			31,993				41,993	121,642	(21,806,583)	No
8	2008	2009	2,052,700	59,160,200	57,107,500	1,369,779	(1,344,779)			30,249				55,249	176,891	(21,751,334)	No
9	2009	2010	2,052,700	51,086,000	49,033,300	1,249,242	(1,224,242)			34,374				59,374	236,265	(21,691,960)	No
10	2010	2011	2,052,700	55,306,000	53,253,300	1,426,904	(1,416,904)			33,105				43,105	279,370	(21,648,855)	No
11	2011	2012	2,052,700	46,533,200	44,480,500	1,267,777	(1,257,777)			27,424				37,424	316,794	(21,611,431)	No
12	2012	2013	2,052,700	44,360,100	42,307,400	1,286,896	(1,276,897)	(70,002)		33,964				(26,039)	290,755	(21,567,468)	No
13	2013	2014	2,052,700	46,055,200	44,002,500	1,368,326	(1,368,326)	(19,846)		2,677,237				4,025,717	4,316,472	(17,521,905)	No
14	2014	2015	2,052,700	54,085,000	52,032,300	1,583,001	(1,583,001)	(102,491)		281,173				1,761,683	6,078,155	(15,657,731)	No
15	2015	2016	2,052,700	55,351,600	53,298,900	1,627,853	(1,627,853)	(583,864)		32,921				1,076,910	7,155,065	(13,996,957)	No
16	2016	2017	2,052,700	57,871,600	55,818,900	1,643,640	(1,643,640)	(19,846)	(8,678,786)	37,273				(7,017,719)	137,346	(12,316,044)	No
17	2017	2018	2,052,700	53,912,800	51,860,100	1,531,306	(1,531,306)	(78,811)		37,821				1,490,316	1,627,662	(10,746,917)	No
18	2018	2019	2,052,700	56,235,500	54,182,800	1,509,352	(1,509,352)	(77,349)		46,477				1,478,480	3,106,142	(9,191,088)	No
19	2019	2020	2,052,700	56,039,600	53,986,900	1,489,388	(1,489,388)	(77,174)		38,989				1,451,203	4,557,345	(7,662,711)	No
20	2020	2021	2,052,700	59,535,400	57,482,700	1,616,399	(1,616,399)	(75,873)		31,501			(1,616,399)	(44,372)	4,512,973	(6,014,811)	No
21	2021	2022	2,052,700	62,484,800	60,432,100	1,525,566	(1,525,566)	(74,470)			(311,310)	(286,069)	(1,525,566)	(671,849)	3,841,124	(4,489,245)	No
22	2022	2023	2,052,700	63,109,648	61,056,948	1,603,966	(1,603,966)	(74,920)			(311,310)	(286,069)	(1,541,077)	(609,410)	3,231,715	(2,885,279)	No
23	2023	2024	2,052,700	63,740,744	61,688,044	1,620,545	(1,620,545)				(311,310)	(286,069)	(1,557,006)	(533,840)	2,697,875	(1,264,734)	No
24	2024	2025	2,052,700	64,378,152	62,325,452	1,637,290	(1,637,290)				(311,310)	(286,069)	(1,573,094)	(533,183)	2,164,692	372,555	YES
25	2025	2026	2,052,700	65,021,933	62,969,233	1,654,202	(1,654,202)				(311,310)	(286,069)		1,056,823	3,221,515	2,026,757	YES
26	2026	2027	2,052,700	65,672,153	63,619,453	1,671,283	(1,671,283)				(311,310)	(286,069)		1,073,904	4,295,419	3,698,040	YES
27	2027	2028	2,052,700	66,328,874	64,276,174	1,688,535	(1,688,535)				(311,310)	(286,069)		1,091,156	5,386,575	5,386,575	YES
28	2028	2029	2,052,700	66,992,163	64,939,463	1,705,960	(1,705,960)							1,705,960	7,092,535	7,092,535	YES
						35,351,545	(9,769,936)	(1,254,646)	(8,678,786)	3,439,151	(2,179,170)	(2,002,481)	(7,813,142)	7,092,535			

Annual appreciation	1.010
Interest Rate	4.00%
Base Value	2,052,700
Property Tax rate	2.627%
New Project Costs	1,700,000