

LEGISLATIVE REFERENCE BUREAU FISCAL ANALYSIS

ZONING, NEIGHBORHOODS & DEVELOPMENT COMMITTEE

FEBRUARY 18, 2008

Item 6, File #071408

File Number 071408 is a resolution approving a Riverwalk Development Agreement for construction of a Riverwalk segment adjoining the property located at 1858 North Commerce Street.

Background

1. On April 1, 1996, the Redevelopment Authority of the City of Milwaukee and Brewers Point Apartments (the owner of the property at 1858 North Commerce Street, hereafter referred to as "Owner"), entered into a Development Agreement under which the Owner would construct the Brewers Point Apartments as well as an adjoining Riverwalk segment, with the cost of the Riverwalk being shared by the Owner and the City.
2. Due to conflicting opinions of the Owner and the City regarding the proposed Riverwalk segment, this Riverwalk segment was never built. However, the costs of constructing the Riverwalk have increased significantly since the Development Agreement was executed.
3. Riverwalk segments have been constructed on properties immediately to the east and to the west of Brewers Point Apartments. The Owner now desires to install the Riverwalk segment at Brewers Point Apartments, which would provide connections to these existing Riverwalk segments.

Discussion

1. This resolution authorizes the proper City officials to execute and enter into a new Riverwalk Development Agreement for construction of a Riverwalk segment along the Milwaukee River on the property at 1858 North Commerce Street. This Agreement would terminate the 1996 Development Agreement between the Redevelopment Authority and the Owner.
2. Under the new Riverwalk Development Agreement, the City (Department of Public Works) will construct the Riverwalk segment by December 31, 2008. The total cost of the Riverwalk segment -- \$355,000 -- will be provided by the Redevelopment Authority using \$62,558.74 in funds received from the Owner and up to \$292,441.26 in funds received from the City's TID No. 22 (Beerline "B"), as specified in the Agreement.
3. This resolution also directs the proper City officials to accept a Public Access Easement for the new Riverwalk segment. In addition to the Public Access Easement, the Owner has agreed to operate and maintain the new segment as part of the overall Riverwalk system.

4. The resolution authorizes DPW to solicit bids and contract for the construction of the new Riverwalk segment.

Fiscal Impact

1. The estimated total cost of constructing the new Riverwalk segment is \$355,000.
2. The Owner has agreed to pay \$62,558.74 of this cost. The remainder – up to \$292,441.26 – will come from City incremental tax revenues generated by TID No. 22, in which the property is located.

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