

AMENDMENT NO. 2

PROJECT PLAN FOR TAX INCREMENTAL FINANCING DISTRICT NO.

41

(TIME WARNER RIVERWALK PROJECT)

CITY OF MILWAUKEE

Public Hearing Held: June 13, 2013

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.

The 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 for a 280,000 s.f. office facility occupied by Manpower, Inc.'s World Headquarters and to fund a job training program.

TID 41 has incurred project costs, to date of \$29,745,000, with \$21,280,067 in expected future expenditures. This TID has achieved an increase in incremental property value of \$111,657,600.

Amendment No. 2 to the Project Plan will provide \$1.7 million for the purposes of facilitating improvements to North 2nd Street and reconstructing West Galena Street to allow for vehicular traffic.

I. DESCRIPTION OF THE PROJECT

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

The District encompasses a former decommissioned electric power plant (renovated for offices pursuant to the original Project Plan), an abandoned rail yard, and former Schlitz Brewery buildings. The District facilitated the adaptive reuse of the power plant and the redevelopment of the rail yard with a 280,000 s.f., four story, headquarters office building occupied by Manpower, Inc. The public Riverwalk is complete between West McKinley Avenue and Cherry Street. The District will facilitate improvements to North 2nd Street as well as the reconstruction of West Galena Street, to allow for vehicular traffic.

The District is part of, and will facilitate achieving, the objectives of the Beer Line "A" Redevelopment Project Area established by the Redevelopment Authority of the City of Milwaukee (RACM) pursuant to section 66.1333, Wis. Stats."

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. 2 to the Project Plan:

- Reconstruction of West Galena Street, to allow for vehicular traffic.
- Site improvements along North 2nd Street

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 reconstruction of West Galena Street.
2. Grant to the Redevelopment Authority under section 66.1333(13), Wis. Stats., to provide funding for site improvements along North 2nd Street.

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

A	Capital Costs To Date: Amendment No. 2:	\$ 29,634,196 \$ 1,700,000
B	Other Costs: Administration	\$ 129,806
	Total Estimated Project Costs, excluding financing	\$ 31,464,002
C	Financing Costs	\$ 14,299,668

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
2013-2014	\$1,700,000	\$1,700,000

Sub-Section 4, “Economic Feasibility Study” is amended by adding the following:


































“4. Economic Feasibility Study

Please see District Breakeven Analysis, attached. Based on the forecast, following the expenditure of the additional funds for street improvements, the District is expected to break even in eight years. As there are 14 years remaining before the statutory termination date of the District, the District is determined to be feasible.

District Breakeven Analysis	
	Manpower
	<u>TID-41</u>
04-22-13 Lifetime-to-date expenditures	29,745,288
Add:	
Remaining appropriation-DCD	18,714
Current encumbrances	-
Total current project costs excluding financing	29,764,002
Lifetime-to-date interest 12-31-12	5,390,657
Scheduled bond interest costs - 2013 to maturity	7,798,098
Interest on estimated future borrowing	1,026,603
Future capitalized interest	171,871
Cumulative City of Milwaukee carrying cost	375,913
Difference between proceeds and principal debt service	(1,676,079)
Total current project costs including interest and other charges	42,851,064
Project revenues	(615,401)
Net current project costs to be recovered through tax increments	42,235,663
Tax increments levied:	
2001	69,490
2002	402,339
2003	272,976
2004	1,824,181
2005	940,376
2006	1,249,644
2007	1,266,012
2008	2,690,694
2009	2,933,716
2010	2,634,212
2011	3,275,581
2012	3,396,375
Total tax increments levied	20,955,596
Proposed infrastructure	1,700,000
Net amount to be recovered through future tax increments	22,980,067
Remaining recovery years	14
Years needed to break even (increments of \$3,000,000/yr.)	8

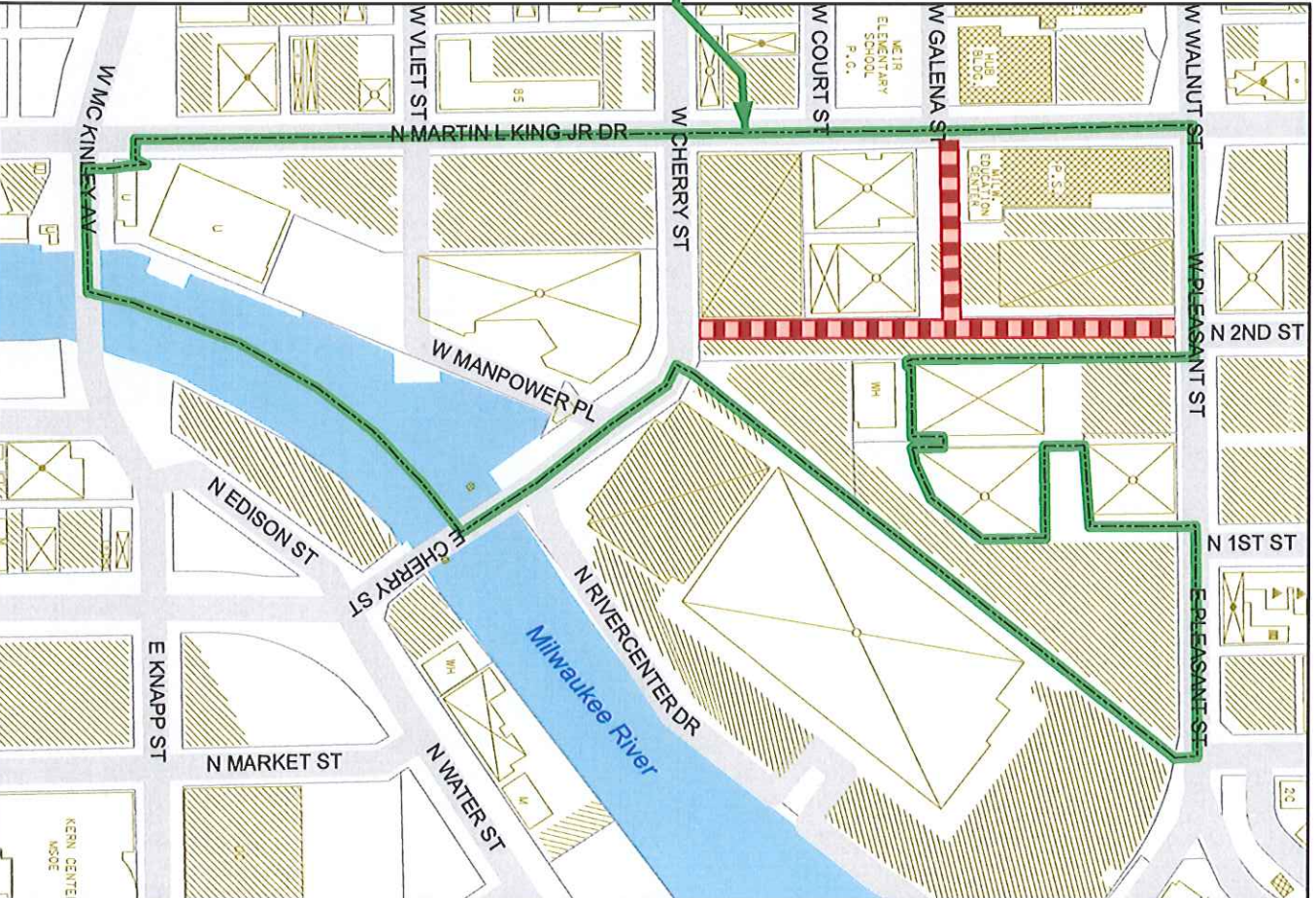
Legend

-  TID BOUNDARY
-  STREETSCAPING, LANDSCAPING IMPROVEMENTS

LEGEND	
	SINGLE FAMILY RESIDENTIAL
	TWO FAMILY RESIDENTIAL
	MULTI-FAMILY RESIDENTIAL
	CONDOMINIUM
	DORMITORY
	ROOMING HOUSE
	HOTEL / MOTEL
	COMMERCIAL WITH RESIDENCE
	COMMERCIAL
	MIXED COMMERCIAL
	OFFICE OR PROFESSIONAL SERVICES
	MANUFACTURING AND WAREHOUSING
	UTILITY COMPANY
	STORAGE TANK
	ACCESSORY BUILDING
	HOSPITAL
	SKILLED CARE FACILITY / GROUP HOME
	PLACE OF WORSHIP
	NON-PUBLIC EDUCATION
	GOVERNMENTAL OR QUASI-PUBLIC BUILDING
	POLICE STATION
	FIRE STATION
	PUBLIC SCHOOL
	PARK
	PLAYGROUND
	CEMETERY
	PARKING
	BASKETBALL COURT
	TENNIS COURT
	FENCE
	ELECTRICAL LINE TRANSMISSION TOWER
	ELECTRICAL LINE
	UNDER CONSTRUCTION

MAP NO.	AMENDMENT NO. 2 - TID 41
3	PROPOSED IMPROVEMENTS AND USES
PAGE 1.	DATE: JUNE 4, 2013

TID BOUNDARY



Prepared by the Department of City Development, 6 June 2013
 Source: City of Milwaukee Information and Technology Management Division
 Path: F:\GIS_Data\Projects\13-06-04 TID Map sfor Alysia (41 & 56)\TID 41 Update.mxd