

# **DRAFT**

Project Plan  
For  
Tax Incremental District Number \_\_\_\_  
City of Milwaukee  
(Pabst Brewery/The Brewery Project)

Redevelopment Authority  
Of the  
City of Milwaukee  
Milwaukee, Wisconsin

Prepared by  
Department of City Development

In Conformance with the provisions  
Of Section 66.1105, Wisconsin Statutes

*Prepared by: S. B. Friedman & Company  
October 2006*

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## ***I. Description of Project***

### ***A. Introduction***

Section 66.1105(4)(d), Wisconsin Statutes, requires the "preparation and adoption... of a proposed project plan for each tax incremental district." This Project Plan is submitted in fulfillment of this requirement and the related provisions of section 66.1105, Wisconsin Statutes.

### ***B. District Boundaries and Compliance with Statutory Eligibility Criteria***

Tax Incremental District No. \_\_\_\_, City of Milwaukee ("TID \_\_\_\_" or "District") consists of a 21-acre site bounded generally by W. Winnebago Street on the north, W. Highland Avenue on the south, N. 6<sup>th</sup> Street on the east, and N. 11<sup>th</sup> Street on the west. The District consists primarily of numerous vacant and blighted buildings that comprise the former Pabst Brewing Company complex, which ceased operations at this site in 1996.

The following Appendix Maps and Exhibits provide a basic description of the proposed District:

- **Map 1:** Boundary and Existing Land Uses
- **Exhibit 1:** Boundary Legal Description [placeholder]
- **Exhibit 2:** Calculations of Blight and Vacancy

The District exhibits blight on 73.2 percent of its land area. Under the requirements of Wis. Stats. Sec 66.1105(4)(gm)(4)(a), the District qualifies as a "blighted area" because more than 50% of the land area comprising the District has been identified as exhibiting characteristics that are "detrimental to the public health, safety, morals or welfare" (Sec. 66.1105(2)(a)). The District also exhibits vacancy as defined by Section 66.1105(4)(gm)(1) on 13.1 percent of its land area.

The structure condition of individual properties in the District is shown on **Appendix Map 2**.

### ***C. Existing Land Uses and Conditions in the District***

The Pabst property is presently vacant and consists of numerous heavy industrial buildings. The property had been used for over 150 years as a brewery and suffers from an extended period of deferred maintenance. The District also includes properties that are operated by the Milwaukee Public Schools (MPS) and the Milwaukee Area Technical College (MATC) which are in a well-maintained condition.

As an old industrial complex, numerous contaminants were discovered throughout the site, including: petroleum volatile organic compounds (VOC) such as benzene, toluene, and xylene, lead, naphthalene, and diesel range organics. Petroleum-hydrocarbon related groundwater contaminants were detected at certain areas of the property at concentrations exceeding the preventive action limits specified in the Wisconsin Administrative Code. However, no groundwater contaminants have been detected at the site at concentrations exceeding the NR 140 enforcement standards.

Substantial quantities of asbestos containing materials (ACM) have been detected throughout the entire brewery complex. Several buildings are completely encased with plaster cork mastic, a friable ACM. As expected, several thousand feet of pipe runs contain ACM, which is also present in floor tiles, joint compounds, and window glazing.

Due to their deteriorated condition and the extensive cost to renovate many of the structures, the redevelopment plan calls for the demolition of structures with a combined floor area of up to 104,000 square feet and the interior demolition and abatement of structures with a combined floor area of 546,000 square feet. **Appendix Map 3** illustrates the contemplated scope of demolition and abatement activities planned for the District.

Significant public infrastructure improvements are also planned for the District, including the reconstruction of segments of City streets, rededication of streets previously vacated, and the installation of public and private utilities necessary to serve the Project. Specific infrastructure improvements planned for the District are discussed in further detail in section II.B of this Project Plan.

#### ***D. Plan Objectives***

The District was created under authority of Wisconsin Statute Section 66.1105(2)(a)(1)(a) primarily to assist expansion of the tax base by providing public improvements necessary to promote development and redevelopment of the former Pabst Brewery complex. Brewery Project, LLC has proposed to implement a conceptual redevelopment plan for the complex that includes an estimated:

- 127,500 square feet of neighborhood and convenience retail
- 54,000-square-foot grocery store
- 573,000 square feet of office space
- 550,000 square feet (approximately 475 units) of residential space, including mixed-income apartments and for-sale (market-rate) condominiums
- 120 hotel rooms
- 3,600 stalls of parking provided in six structures
- 168,000 square feet of space, in four existing buildings, for which a development program has not yet been identified

The four primary objectives of the Project Plan are to:

- (1) Prepare the former Pabst property for redevelopment into a mixed-use complex consisting generally of the uses depicted in the conceptual redevelopment plan proposed by Brewery Project, LLC.

Appendix **Maps 4A and 4B**, Proposed Future Land Uses-Lower Level and Proposed Future Land Uses-Lower Level, depict this conceptual development/redevelopment program.

- (2) Remediate environmental contamination and remove obsolescent structures which impede the development of this vacant and blighted complex

(3) Generate and promote employment opportunities in and adjacent to the District

(4) Increase the property tax base of the community

Tax Incremental Financing (TIF) will be used to facilitate investment by improving and extending existing city streets, providing adequate utilities and other public infrastructure to serve future development, aiding in the selective demolition of obsolescent structures, and remediating environmental contamination of structures.

### ***E. Proposed Public Action***

The District is intended to provide funding to cover capital costs of no more than **\$28,392,271**, for public infrastructure, selective demolition, abatement of environmental contamination, associated general conditions and construction management fees, direct TIF planning and related project costs, and job training assistance identified in section II.B of this Project Plan. These estimated project costs exclude capitalized interest.

The City of Milwaukee may, on its own initiative or through a cooperation agreement with the Redevelopment Authority of the City of Milwaukee (RACM) and/or other entities, undertake any and all project and site improvements and activities considered necessary to achieve project objectives and the commitment of private investment. This Plan is not intended to limit and shall not be interpreted as limiting the Redevelopment Authority in the exercise of its powers under Section 66.1333(5), Wisconsin Statutes, within the District. It is possible that future amendments to this Project Plan will be proposed.

## ***II. Project Plan Proposals***

### ***A. Statutory Requirements***

Section 66.1105(4)(f), Wisconsin Statutes, requires that a Project Plan for a Tax Incremental District shall include:

"...a statement listing the kind, number and location of all proposed public works or improvements within the district or, to the extent provided in subsection (2)(f)1.k., outside the district, an economic feasibility study, a detailed list of estimated project costs, and a description of the methods of financing all estimated project costs and the time when the related costs or monetary obligations are to be incurred. The plan shall also include a map showing existing uses and conditions of real property in the district; a map showing proposed improvements and uses in the district; proposed changes of zoning ordinances, master plan, if any, map, building codes and city ordinances; a list of estimated non-project costs; and a statement of the proposed method for the relocation of any persons to be displaced. The plan shall indicate how creation of the tax incremental district promotes the orderly development of the city."

The plan shall also include an opinion of the City Attorney or of any attorney retained by the City advising whether such plan is complete and complies with Section 66.1105(4)(f), Wisconsin Statutes.

### ***B. Compliance with Statutory Requirements***

The following statements, maps, and exhibits are provided in compliance with the statutory requirements.

#### **STATEMENT OF KIND, NUMBER, AND LOCATION OF ALL PROPOSED PUBLIC WORKS OR IMPROVEMENTS**

- 1. Estimates.** The Plan includes the Public Works and Improvements described in general below. The specific kind, number, location, and estimated costs of public works and other improvements as identified below are based on preliminary plans and concepts developed in consultation with the Department of Public Works and as part of the preparation of the economic feasibility study for this District. Actual implementation of public works and improvements will be based on detailed final plans, specification, and estimates as approved by the City's Department of City Development for project and site development.
- 2. Eligibility as Project Costs.** Any expenditures or monetary obligations directly or indirectly related to the Public Works and Improvements are considered "Project Costs" and eligible to be paid with tax increment revenues of the tax incremental district. Project costs will be diminished by any income, special assessments, or other revenues, including user fees or charges. Project costs identified in this Plan are preliminary estimates made prior to design considerations and are subject to change after planning is completed. Pro-ration of costs in the Plan are also estimates and subject to change based upon implementation, future assessment policies, and user fee adjustments.

**3. Number and Location.** The number and location of the proposed Public Works and Improvements to be implemented by the City of Milwaukee Department of Public Works (DPW) are outlined below.

**(a) Paving and Walks.** The following street segments are expected to be constructed/reconstructed/extended, which may include paving, sidewalks, landscaping, lighting, and public utilities:

- N. 8<sup>th</sup> Street, between W. Highland and W. Winnebago
- N. 9<sup>th</sup> Street, between W. Highland and W. Winnebago
- N. 10<sup>th</sup> Street, between W. Highland and W. Winnebago
- N. 11<sup>th</sup> Street, between W. Juneau and W. McKinley
- W. Juneau Ave., between N. 7<sup>th</sup> and N. 11<sup>th</sup> Streets
- W. McKinley Ave., between N. 10<sup>th</sup> and N. 11<sup>th</sup> Streets
- W. Winnebago St., between N. 7<sup>th</sup> and N. 11<sup>th</sup> Streets
- W. Highland Ave., between N. 8<sup>th</sup> and N. 11<sup>th</sup> Streets

Each street improvement project may include the following elements:

- *Roadway reconstruction*
- *Concrete sidewalk*
- *Combined sanitary and storm sewer improvements*
- *Water service improvements*
- *Streetscape construction, including landscaping, decorative paving, lighting, signalization, and signage/markings*
- *Organizational costs:* These costs include but are not limited to fees of the financial consultant, attorney, engineers, surveyors, map makers, and other contracted services.
- *Administrative costs:* This category of Project Costs includes estimates for administrative, professional, and legal costs. Components of the administrative costs include, in general, costs of salaries and benefits for employees engaged in planning, engineering, implementing, and administering activities in connection with the District; and related costs of supplies, materials, contract and consultant services, travel, rental of space and equipment, and the reasonable costs of City departments and agencies having oversight responsibilities due to the creation of this District. Such services include but are not limited to purchasing, property appraisals, personnel, legal, accounting, auditing, the provision of space and maintenance, and costs charged in accordance with an approved cost allocation plan.
- *Financing costs:* Interest, financing fees, redemption premiums, and other financing fees are included as project costs.

**(b) Roundabout.** A new traffic roundabout is planned for construction at what the current location of the intersection of W. Juneau Avenue and W. Winnebago Street. Project costs are inclusive of land acquisition, design, and construction related to all necessary

components.

(c) **Demolition and Abatement.** As outlined in I.C. above, due to their deteriorated condition and the extensive renovation necessary to make them reusable, structures comprising up to 104,000 square feet of floor area are anticipated to require demolition. Those structures that are in sufficient condition to be renovated (comprising approximately 546,000 square feet of floor area) require environmental remediation to remove asbestos containing materials (ACMs) contained in the structures' floors, walls, windows, and other building components. **Map 3**, in the attached Appendix, depicts the scope of anticipated demolition and abatement work to be undertaken as part of the Project. Project costs related to demolition and abatement activities include:

- Select demolition of structures
- Removal of hazardous materials
- Testing and monitoring of results
- Insurance
- Legal Fees

**4. Costs Included in Estimates.** With all Public Works and Improvements, the costs of engineering, design, survey, inspection, materials, construction, restoring property to its original condition (if required), apparatus necessary for the public works, legal and other consultant fees, testing, environmental studies, permits, updating City ordinances and plans, judgments, or claims for damages and other expenses are included as Project Costs.

The detailed costs included in the following subsection and detailed in **Table A** which follows are, without limitation hereof because of enumeration, claimed as eligible Project Costs as defined under Section 66.1105(2)(f) and in any Cooperation Agreement(s) presently or subsequently entered into by and between the City of Milwaukee, RACM, and/or eligible designated redeveloper(s), which agreements are incorporated herein by reference, provided further that such expenditures are necessitated by this Project Plan.

## DETAILED LIST OF ESTIMATED PROJECT COSTS

### 1. Capital Costs

The City, pursuant to a Development Agreement with the Redevelopment Authority of the City of Milwaukee and Brewery Project, LLC, the Land Developer of The Brewery Project, will provide funding in the form of grants to the Land Developer for the project pursuant to Wisconsin Statutes Sec. 66.1105 (2)(f)(1)(h) – i.e., contributions made under a Redevelopment Plan pursuant to Wisconsin Statutes Sec. 66.1333(13).

The City shall fund an estimated at **\$28,392,271** of the total Brewery Project development costs as TID Capital Project Costs, allocated among the following cost categories and enumerated in further detail in **Table A**:



- Public Works and Improvements;
- Private infrastructure improvements;
- Selective demolition and abatement;
- General conditions and construction management;
- Direct TID planning and related costs; and
- Job training assistance.

**Appendix Exhibit 3** (Consolidated Brewery Project Budget) provides detailed breakdown of TID Project Costs and non-Project Costs.

Adjustments of the assistance amount and disbursements of funds related to the Capital Project Costs will be made as outlined in the Development Agreement, generally as follows:

- **Initial Tax Increment District Funding.** Pursuant to creation of the TID, \$13.450 million of City funds will be provided initially for infrastructure construction and demolition and abatement. The allocation of initial investment will be as set forth in the term sheet for the Development Agreement, attached as **Exhibit 4**.
- **Subsequent assistance:** After meeting threshold terms and conditions outlined in the Development Agreement related to on-site parking, the estimated incremental assessed value of firm/binding development commitments, and other project parameters, subsequent assistance will be provided on a pro-rata basis as further binding development commitments are obtained by the Land Developer. These pro-rata amounts of subsequent assistance funding will not exceed the amount that can be added to the TID while maintaining full projected amortization of the overall District by the end of the 25<sup>th</sup> year (currently estimated at about 20% of the stabilized taxable value of each new component of the Project), up to a maximum City Assistance amount of **\$28,392,271** in Capital Project Costs (excludes TID administrative costs). Subsequent assistance may be used for approved infrastructure, demolition, and abatement costs, but does not have to be expended to improve the block that triggered the release of funds by the City.
- **Grants:** Receipt of brownfield or other grant funding by Brewery Project, LLC to assist the Brewery Project will reduce the maximum amount of assistance for Capital Project Costs by up to 100% of the net proceeds of those grants that may be applied toward TID-eligible demolition or abatement costs. Net proceeds will be defined as the amount of grant funds that may be applied toward TID-eligible costs, less the direct costs of securing such grant funds. If Brewery Project, LLC has incurred debt in order to advance funds for costs set forth in **Table A**, interest and financing costs related to such debt will be reimbursable by the City up to a maximum of 25% of the amount of net grant proceeds.
- **Cost Savings Participation.** If the scope of agreed upon demolition and abatement activities is changed, the maximum assistance amount to fund Capital Project Costs will be reduced by 100% of any resulting cost savings attributable to this scope change. If Brewery Project, LLC realizes savings on the overall costs based on the currently proposed scope of demolition, abatement, and/or infrastructure, the maximum assistance

for Capital Project Costs will be reduced by 75% of the savings, and up to 25% of such savings may be reallocated to other TID-eligible Project Costs (as specified by the Commissioner of DCD).

Additionally, if the actual cost billed to the project for the anticipated scope of the utility work to be performed by WE Energies is less than budgeted, or if WE Energies submits a fixed-price quote for the anticipated scope of work that is less than the budgeted amount, the City will receive 100% of the savings in the form of a reduction in the amount of funding provided for Capital Project Costs.

The Capital Project Costs are summarized in **Table A** on the following page and included in detailed form as **Exhibits 5 (Demolition and Abatement Cost Estimate) and 6 (Public and Private Infrastructure Cost Estimate)**. A map depicting the anticipated scope of demolition and abatement work is attached as **Map 3**.

**City of Milwaukee**  
**Pabst Brewery/The Brewery Project TID**  
**Table A: Capital Project Costs**

<b>Direct TIF Planning and Related Costs</b>	
Investigative soil borings	12,180
Rededication of streets (\$5,000/street)	15,000
S.B. Friedman & Company Study	60,000
TIF costs	25,000
<b>Total Direct TIF Planning and Related Costs</b>	<b>112,180</b>
<b>Job Training Assistance</b>	<b>250,000</b>
<b>Demolition and abatement costs Brandenburg/Arcadis- (as of 8/30/06)</b>	
Demolition contract-base	11,000,000
Demolition and abatement at buildings 27, 28, and 35	263,810
Pre-Abatement Services	20,500
Supplemental Environmental Investigations	40,600
Well Abandonment	118,000
UST Removal and closure	56,900
Misc. lead abatement, soil remediation, and hazardous wastes	404,000
Remedial action plan	108,000
ACM and lead paint oversight and monitoring	350,000
Environmental support at buildings 27, 28, and 35	28,000
Additional technical support	129,500
Demobilization/remobilization	120,000
Environmental insurance and possible soil remediation	1,120,000
Legal fees/contracting	50,000
Inflation costs	360,000
Contingency	1,000,000
<b>Total demolition and abatement costs</b>	<b>15,169,310</b>
<b>Infrastructure costs (as of 8/30/06)</b>	
Combined Sewer (DPW)	546,590
Water (DPW)	465,500
Paving and walks (DPW)	1,681,063
Roundabout construction (DPW)	457,600
Streetscape items (DPW)	973,060
Other costs related to City work and enhancements (DPW)	2,096,765
WE Energies utility installation	3,081,100
Miscellaneous infrastructure costs	682,800
Contingency	800,000
<b>Total infrastructure costs</b>	<b>10,784,478</b>
<b>General Conditions &amp; Fee*</b>	<b>2,076,303</b>
<b>Total Capital Costs</b>	<b>28,392,271</b>

\* General conditions =5% of demo/abatement & infrastructure costs; Management fees = 1.5% on DPW infrastructure work and 3.5% on all others

## 2. Other Costs

This category of Project Costs includes estimates for administrative, professional, organizational, and legal costs. Components of "Other Costs" include, in general, costs of salaries and employee benefits for employees engaged in planning, engineering, implementing, and administering activities in connection with the District; and related costs of supplies, materials, contract and consultant services, rental of space and equipment, and the reasonable costs of City departments and agencies having oversight responsibilities due to the creation of this District. Such services include but are not limited to purchasing, property appraisals, personnel, legal, accounting, auditing, the provision of space and maintenance, and costs charged in accordance with an approved cost allocation plan. These costs are estimated at **\$300,000**.

## 3. Financing Costs

Financing costs include estimated gross interest expense on bonds that will be issued to pay for Project Costs. Estimates of bond interest are based on interest rates as set forth in the Economic Feasibility Study for this Project.

**Table B: Estimated Project Costs**

A	<u>Capital:</u>	
	Infrastructure Improvements (public & private)	\$10,784,478
	Demolition and Abatement	\$15,169,310
	General Conditions & Fees	\$2,076,303
	Direct TIF Planning and Related Costs	\$112,180
	Job Training Assistance	\$250,000
B	<u>Other:</u>	
	Administrative, professional, organizational and legal	\$300,000
	Total Estimated Project Costs, excluding financing	\$28,692,271
C	<u>Financing:</u>	
	Interest payments on tax-exempt bonds	\$12,530,915

## DESCRIPTION OF TIMING AND METHODS OF FINANCING

Projects identified will provide the anticipated governmental services to the area. The majority of improvements will be made between 2007 and 2010. While a reasonable and orderly sequence is outlined on the following page, public debt and expenditures will be made based on the pace at which Brewery Project, LLC obtains binding commitments to purchase and develop/redevelop individual sites in the District. This will ensure that the generation of incremental property tax revenues will be sufficient to cover expenses.

Interest rates projected are based on current market conditions. Municipal interest rates are subject to constantly changing market conditions. In addition, other factors such as the loss of tax-exempt status of municipal bonds or broadening the purpose of future tax exempt bonds would affect market conditions. Actual interest expense will be determined once the methods of financing have been approved and securities issued.

The estimated method of financing may be subject to change during the project period. Consequently, the method identified may, as circumstances warrant, be redefined and the dollar amount adjusted, up or down, without formal modification of this Plan during the course of project implementation.

### 1. Estimated Timing of Project and Financing Costs

The majority of expenditures and TID Project Costs are estimated to be incurred between 2007 and 2010.

### 2. Estimated Method of Financing Project Costs

The City of Milwaukee will provide financing for Project Costs through one or more issues of tax-exempt and taxable general obligation bonds.

Sale of General Obligation Bonds:     **\$31,587,321** (par amount of bonds including financing costs and capitalized interest)

The funding source for payment of financing costs will be from tax increment revenues pursuant to Section 66.1105(6)(c), or from other funds ordinarily used for payment of borrowing obligations. It is the City's intent to maximize the use of TIF funds for the cost of City participation in this project.

## ECONOMIC FEASIBILITY STUDY

The Economic Feasibility Study for this District, prepared for the Department of City Development and titled *Brewery Project TID Economic Feasibility Report*, dated <Month Day>, 2006, is on file in the Office of the Redevelopment Authority of the City of Milwaukee, 809 North Broadway, Milwaukee, Wisconsin, and in the Office of the City Clerk of the City of Milwaukee, 200 West Wells Street, Room 205, Milwaukee Wisconsin, as attached to Common Council Resolution **File Number XXXXXX**. The study is attached hereto as Appendix **Exhibit 7**. The study establishes the dollar value of project costs which, based on certain general assumptions and a reasonable margin of safety, can be financed with the revenues projected to be generated by the proposed District.

The economic feasibility study indicates that the proposed TID No. \_\_\_\_ may achieve the necessary thresholds to trigger subsequent funding assistance (beyond the initial City investment of \$13.45 million), as early as 2010. Projections indicate that bonds could then be issued in 2010, 2011, and 2012 to fund Project Costs. The final payment on these bonds would be scheduled for 2028 (**TID year 21**). This amortization schedule is driven by the projected issuance date of bonds and the corresponding assumption that these bonds will not be prepaid.

The TID is estimated to achieve a positive fund balance in 2027 (TID year 20). If the City elected to prepay the outstanding TID debt beginning in this year, the TID is projected to be fully amortized in 2027, or **TID Year 20**.

See **Appendix Exhibit 7** for cash flow and debt service analyses conducted as part of the Economic Feasibility Study.

### **MAP OF EXISTING USES AND CONDITIONS**

Please refer to **Appendix Map 2**, "Condition of TID Structures," in the Appendix which follows.

### **PROPOSED CHANGE OF MASTER PLAN, ORDINANCES, AND CODES**

It is expected that this Project Plan will be complementary to the City's 1999 Downtown Plan. The District is currently zoned C9H (Warehouse and Light Manufacturing). It is anticipated that the zoning will be changed to Development Incentive Zone (DIZ).

### **LIST OF ESTIMATED NON-PROJECT COSTS**

The District's assistance represents a portion of the estimated total cost of the project. The portion of total project costs to be incurred by Brewery Project, LLC not included in **Table A** as approved for funding through the Tax Increment District represents the non-project costs for TID \_\_\_\_\_. These costs are itemized in **Appendix Exhibit 3**.

### **PROPOSED METHOD FOR RELOCATION**

No persons or businesses are to be relocated or displaced.

### **STATEMENT INDICATING HOW DISTRICT CREATION PROMOTES ORDERLY CITY DEVELOPMENT**

TID No. \_\_\_\_ contributes to the orderly development of the City by providing the opportunity for continued growth in tax base and improved aesthetics in the City. TID No. \_\_\_\_ will provide the City with additional development located in and adjacent to this near north side neighborhood. TID No. \_\_\_\_ is consistent with the City's Master Plan as it is a Catalytic Project, delineated in the City's 1999 Downtown Plan.

### **OPINION OF THE CITY ATTORNEY**

Please refer to the letter of the City Attorney in the Appendix (**Attachment 1**).

### *III. Appendix*

<b>MAP</b>	<b>TITLE</b>
Map 1	TID Boundary and Existing Land Uses
Map 2	Condition of TID Structures
Map 3	Anticipated Scope of Demolition and Abatement
Map 4A	Proposed Future Land Uses-Lower Level
Map 4B	Proposed Future Land Uses-Upper Level

  

<b>EXHIBIT</b>	<b>TITLE</b>
Exhibit 1	TID Boundary Description
Exhibit 2	Blight and Vacancy Calculations
Exhibit 3	Consolidated Brewery Project Land Development Budget
Exhibit 4	Development Agreement Term Sheet
Exhibit 5	Itemized Demolition and Abatement Cost Estimate
Exhibit 6	Itemized Public and Private Infrastructure Cost Estimate
Exhibit 7	Brewery Project Economic Feasibility Study

  

<b>ATTACHMENT</b>	<b>TITLE</b>
Attachment 1	City Attorney's Letter

**Exhibit 2**

**Pabst Brewery/Brewery Project TID  
District Taxkeys and Blight Calculation**

Parcel	Taxkey	Owner Name	Address	2006 Assessed Value			Lot Area (SF)	Vacant Area (SF) [1]	Blighted Area (SF) [2]
				Land	Improvement	Total			
1-1	3611535114	Brewery Project LLC	810 W. Juneau Ave.	\$ 752,700	\$ 414,300	\$ 1,167,000	94,525	94,525	94,525
2-1	3611554100	Milwaukee County	721 W. Winnebago St.	\$ -	\$ -	\$ -	12,912	0	12,912
3-1	3910752000	Brewery Project LLC	1009-1011 W. Juneau Ave.	\$ 1,299,900	\$ 1,949,200	\$ 3,249,100	324,174	0	324,174
3-2	3910751000	Juneau Avenue Partners	915 W. Juneau Ave.	\$ 114,400	\$ 299,600	\$ 414,000	19,123	0	19,123
4-1	3611521110	Brewery Project LLC	902-926 W. Juneau Ave.	\$ 1,313,200	\$ 710,900	\$ 2,024,100	219,325	0	219,325
5-1	3611403113	Brewery Project LLC	1003-1011 W. Winnebago St.	\$ 337,300	\$ 16,700	\$ 354,000	84,071	84,071	84,071
5-2	3611410111	Milwaukee County	1003 Adj. W. Winnebago St.	\$ -	\$ -	\$ -	73,456	0	73,456
6-1	3611520111	Brewery Project LLC	1002-1036 W. Juneau Ave.	\$ 633,100	\$ 181,400	\$ 814,500	172,050	0	172,050
7-1	3910261112	City Of Milwaukee	1124 N. 11th St.	\$ -	\$ -	\$ -	97,886	0	0
8-1	3611636111	Milwaukee Area Technical College	1101 N. 6th St.	\$ -	\$ -	\$ -	123,656	0	0
8-2	3611643111	Milwaukee Area Technical College	700 W. Highland Ave.	\$ -	\$ -	\$ -	90,895	0	0
8-3	3611637100	Milwaukee Area Technical College	701 W. Juneau Ave.	\$ -	\$ -	\$ -	7,654	0	0
8-4	3611638100	Milwaukee Area Technical College	709-717 W. Juneau Ave.	\$ -	\$ -	\$ -	21,544	0	0
8-5	3611640110	Milwaukee Area Technical College	739 W. Juneau Ave.	\$ -	\$ -	\$ -	23,600	0	0
<b>Totals</b>				\$ 8,022,700			1,364,871	178,596	999,636
<b>Percent of Total TID Area</b>								13.1%	73.2%

Source: City of Milwaukee Department of City Development, City of Milwaukee Assessor

[1] Properties are statutorily defined as "vacant" if land value exceeds the replacement cost of the improvements on said properties

[2] Properties are statutorily defined as "blighted" if structures, buildings, or improvements exhibit conditions that are deemed "detrimental to the public health, safety, morals or welfare" (Sec 66.1105 (2)(a)).



## Pabst Brewery/The Brewery Project TID

## Exhibit 3: Consolidated Brewery Project Land Development Budget

	TID Project		Total
	Costs	Non-TID Costs	
<b>SOURCES</b>			
Property sales	\$ -	\$ 21,662,774	\$ 21,662,774
Less: Commissions (4% )	\$ -	\$ (866,511)	\$ (866,511)
Less: Closing costs (2%)	\$ -	\$ (433,255)	\$ (433,255)
Brownfield credits	\$ 750,000	\$ -	\$ 750,000
TIF proceeds	\$ 27,942,271	\$ -	\$ 27,942,271
<b>TOTAL SOURCES</b>	<b>\$ 28,692,271</b>	<b>\$ 20,363,008</b>	<b>\$ 49,055,279</b>
<b>USES</b>			
<b>Acquisition Costs</b>			
Preacquisition costs	\$ -	\$ 956,180	\$ 956,180
Acquisition costs-brewery site	\$ -	\$ 13,525,000	\$ 13,525,000
Acquisition costs- remainder of site	\$ -	\$ 400,000	\$ 400,000
<b>Subtotal Acquisition Costs</b>	<b>\$ -</b>	<b>\$ 14,881,180</b>	<b>\$ 14,881,180</b>
<b>Hard Costs</b>			
Demolition and abatement costs	\$ 15,169,310	\$ -	\$ 15,169,310
Infrastructure costs	\$ 10,784,478	\$ -	\$ 10,784,478
General conditions & fee [1]	\$ 2,076,303	\$ -	\$ 2,076,303
<b>Subtotal Hard Costs</b>	<b>\$ 28,030,091</b>	<b>\$ -</b>	<b>\$ 28,030,091</b>
<b>Soft Costs</b>			
Payroll allocation	\$ -	\$ 1,596,631	\$ 1,596,631
Direct TIF planning and related costs	\$ 112,180	\$ 616,000	\$ 728,180
Holding, marketing, and G & A costs [2]	\$ -	\$ 2,403,500	\$ 2,403,500
<b>Subtotal Soft Costs</b>	<b>\$ 112,180</b>	<b>\$ 4,616,131</b>	<b>\$ 4,728,311</b>
<b>TID Costs</b>			
Job training assistance	\$ 250,000		
TID administration	\$ 300,000		
<b>Subtotal TID Costs</b>	<b>\$ 550,000</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TOTAL USES</b>	<b>\$ 28,692,271</b>	<b>\$ 19,497,311</b>	<b>\$ 48,189,582</b>
<b>Net Cash Flow</b>	<b>\$ -</b>	<b>\$ 865,697</b>	<b>\$ 865,697</b>
As Percentage of Gross Sales Revenue		4.0%	4.0%

[1] General conditions =5% of demo/abatement & infrastructure costs; Management fees = 1.5% on work performed by Milwaukee Dept. of Public Works and 3.5% on all others

[2] Includes insurance, security, utilities, real estate taxes, building/landscape repairs and maintenance, legal expenses, marketing expenses, and other professional fees.

**Exhibit 5**  
**Pabst Brewery/Brewery Project TID**  
**Itemized Demolition and Abatement Cost Estimate**

DESCRIPTION	SOURCE OF BUDGET ESTIMATE	BUDGET	COMMENTS
Demolition & Abatement Base Bid	Brandenburg	10,700,000	Based on finalized Contract with Brandenburg of \$10,700,000
(a) Modification to Demolition Scope of Work for Possible Historic Building Alternatives	Allowance	300,000	For possible historic building alternatives
(b) Demolition and abatement based on development plan	Brandenburg	Included	
(c) Selective interior demolition at Buildings 9, 10, 20, 21, 23, and 29	Brandenburg	Included	This work is based on Sandvick drawings of 9/1/03
(d) Selective interior demolition at Buildings 1, 6, 7, 14, 15, and 16a	Brandenburg	Included	This work includes interior gutting of buildings per letters of 1/27/06 & 3/21/06 - Verify
(e) Demolition and abatement at Block 4 per development plan of 2/17/06	Brandenburg	Included	
(f) Demolition and abatement work leaving the east portion of Building 4	Brandenburg	Included	
(g) Demolition and abatement at Block 6 per development plan of 2/17/06	Brandenburg	Included	
(h) Complete demolition and abatement at Buildings 24 and 25	Brandenburg	Included	
(i) Demolition and removal of miscellaneous structures (metal buildings, steel structure west of Building 22, etc.)	Brandenburg	Included	
Permits, Notification & Signage	----	----	
(a) Above Ground	Brandenburg	Included	For demolition, ACM Abatement, and Lead Abatement
(b) Subsurface	Brandenburg & Arcadis	Included	Brandenburg for USTs, Arcadis for Well Abandonment
Temporary Fencing, Barricades, Guardrails, etc. during Demo Work	Brandenburg	Included	
Maintain Fencing, Barricades, Guardrails, etc. during Demo Work	Brandenburg	Included	
Temporary Electric & Water Utilities during Demo Work	Brandenburg	Included	
Asbestos Abatement	Brandenburg	Included	
(a) All buildings, tunnels & vaults	Brandenburg	Included	
(b) Areas not tested and noted in Arcadis report	Brandenburg	Included	Excludes roofing material, windows and window caulking at buildings to remain
(c) Abandoned tunnels at Juneau Avenue	Brandenburg	Included	
(d) Abandoned tunnels on Pabst property	Brandenburg	Included	
(e) Roofing material at buildings to remain	----	Not Included	To be included with reroofing of buildings
(f) Windows and Caulking at buildings to remain	----	Not Included	To be included with window replacement
(g) Abatement of potential ACM, not previously tested per Arcadis report of 4/18/06	Brandenburg	Included	
Testing, Monitoring & Clearance Reports	Arcadis	350,000	Arcadis final Work Authorization of 7/28/06 - 9 months at \$38,800+/month
Lead Paint Removal & Remediation	Brandenburg	Included	
(a) One time scraping & cleanup - All buildings	Brandenburg	Included	
(b) Second scraping on buildings to remain	Brandenburg	Included	
(c) Additional scraping, remediation and/or painting in buildings to remain	Allowance	200,000	Allowance for additional anticipated work
Salvage of Existing Building contents & materials	Brandenburg	Included	Excludes salvage of collectibles which remain Owner's Property

DESCRIPTION	SOURCE OF BUDGET ESTIMATE	BUDGET	COMMENTS
Erosion Control	Brandenburg	Included	
Demolition Work	Brandenburg	Included	
(a) Complete buildings & foundations for buildings 1, 2, 3, 4, 5, 6, 7, 8, 11, 14, 15, 16a, 17, 20a, 21a, 22, 24, 25, 41, & 42	Brandenburg	See Comment	Complete building demolition is included per development plan of 2/17/06
(b) Selective interior demolition at buildings 9, 10, 20, 21, 23, 29	Brandenburg	Included	
(c) Additional interior demolition to completely gut 9, 10, 20, 21, 23, 29	----	Not Included	Include w/separate Building Construction Pricing
(d) Any additional demolition required to perform abatement in all buildings	Brandenburg	Included	
(e) Surveyed tunnels & piping on Pabst property	Brandenburg	Included	
(f) Abandoned tunnels & piping on Pabst property	Brandenburg	Included	
(g) Tunnels & piping under Juneau Avenue	Allowance	24,000	3 tunnels @ \$8,000 each
(h) Above ground fuel oil storage tank	Brandenburg	Included	
Demolition and abatement at Building 42	Brandenburg	Included	
(a) All environmental and abatement work	Brandenburg	Included	
(b) Complete demolition excluding foundation walls and footings at Juneau, 8th Street, and Highland	Brandenburg	Included	
(c) Cutting of foundation wall at Juneau, 8th Street, and Highland per letter of 4/20/06	Brandenburg	Included	
(d) Necessary bracing of foundation walls to remain at Juneau, 8th Street, and Highland	Brandenburg	Included	
(e) Fill and compaction at column pad and footing locations	Brandenburg	Included	
Underground storage tank (UST) removal	Brandenburg	7,300	Removal and backfill for 14 tanks included with Brandenburg + 2 additional tanks at \$3,650/ea
Soil Remediation (Fuel/Chemical Spills)	Allowance	100,000	Included as a contingency - With engineering barriers, Arcadis states no soil remediation is required
Underground Storage Tank Closure Assessments	Arcadis	49,600	16 tanks at \$3,100/tank
Handling, transport, and disposal of all waste materials - including hazardous substances	----	Included	
(a) Above Ground	Brandenburg	Included	
(b) Subsurface	Allowance	50,000	Allowance included for potential hazardous waste in USTs
Conditions detailed in Phase I ESA from Arcadis dated April 2006	----	----	
(a) Above Ground	Brandenburg	Included	
(b) Subsurface	----	Included	Included with Soil Remediation Allowance
Geoprobe information from investigation in April 2006	----	Included	Included with Soil Remediation Allowance
Soil boring information from Arcadis investigation in April 2006	----	Included	Included with Soil Remediation Allowance
(a) Pabst Property	----	Included	Included with Soil Remediation Allowance
(b) DOT parcel	----	Included	Included with Soil Remediation Allowance
Supplemental environmental investigation costs	----	----	
(a) Arcadis 3/21/06	Arcadis	19,600	Lump Sum for work per contract of 3/23/06 - Work is Complete
(b) Geoprobe Report of 5/11/06	Shaw	21,000	Lump Sum for work per contract of 4/11/06 - Work is Complete

DESCRIPTION	SOURCE OF BUDGET ESTIMATE	BUDGET	COMMENTS
Phase 2 ESA costs	Arcadis	0	This item includes the environmental work performed by Arcadis in 2002/2003. The cost of \$167,000, which has been paid, is not included in this summary
Utility Disconnections at property line prior to Demo Work	Brandenburg	Included	
Excavate and backfill areas outside property lines, where necessary to complete utility disconnections	Brandenburg	Included	
Comply with Emerging Business Enterprise (EBE) & Resident Program Participation (RPP) Requirements	----	----	
(a) Above Ground	Brandenburg	Included	
(b) Subsurface	Arcadis	30,000	Allowance included to provide compliance
Shoring & Bracing Required to Proceed with Demolition	Brandenburg	Included	
Universal Waste Items	Brandenburg	Included	
Universal Waste Technical Assistance/Document Review	Brandenburg	Included	
Overhead Bridges between Buildings	Brandenburg	Included	
Two-Story Addition East of Building 29	Brandenburg	Included	
Metal Buildings East of Building 11	Brandenburg	Included	
Fermenting Tanks East of Building 7	Brandenburg	Included	
Foundations for Fermenting Tanks	Brandenburg	Included	
Pump Cellars	Brandenburg	Included	
Truck Scale	Brandenburg	Included	
Cistern	Brandenburg	Included	
Pump Station Near Fuel Oil Tank	Brandenburg	Included	
Pipe Trench & Piping from Pump Station	Brandenburg	Included	
Sidewalk vaults west of Building 29	----	Included	
(a) Demolish and remove cap	Brandenburg	Included	
(b) Break slab on grade	Brandenburg	Included	
(c) Fill vaults with granular material	Brandenburg	Included	
(d) Close openings to vault from Building 29	----	0	Costs are included with offsite infrastructure costs
Abandon Deep Wells	Arcadis	118,000	Unit Prices per Arcadis Work Authorization of 7/28/06 for 4 deep wells @ \$25,000 + 1 shallow well @ \$18,000
Deep Well Abandonment Program	Arcadis	Included	Included with deep well abandonment
Remedial Action Plan Implementation	Arcadis	108,000	Arcadis Work Authorization of 7/28/06 - assume 8 rounds of groundwater monitoring
Fence and Concrete Dike Surrounding Fuel Oil Tank	Brandenburg	Included	
Foundation Removal below Top of Matt Slab at Building 16a Silos	----	Not Included	Building 16a not to be demolished
Remove N, S and E, Foundation Wall and Footing at Building 42	----	Not Included	Foundation walls are retaining walls adjacent to sidewalks & will remain
Selective Demolition & Abatement at Buildings 27, 28, and 35	Brandenburg & Arcadis	291,810	See memo of 7/6/06
Clarification of foundations to remain	----	0	Found. to remain where close to bldgs. which stay
Copper Kettles @ Building 20	----	Not Included	Kettles to remain

DESCRIPTION	SOURCE OF BUDGET ESTIMATE	BUDGET	COMMENTS
Dust Control during Demolition Work	Brandenburg	Included	
Crush clean brick & concrete for reuse as fill	Brandenburg	Included	
Remove walks & roadways at vacated streets	Brandenburg	Included	Some street removal is included
Temporary Facilities required for performance of demolition work	----	Included	
(a) Above Ground	Brandenburg	Included	
(b) Subsurface	Arcadis	Not Included	Minimal Requirement for work by Arcadis
Protection of adjacent areas	Brandenburg	Included	
Supervision	----	----	
(a) Above Ground	Brandenburg	Included	
(b) Subsurface	Arcadis	See Comments	As necessary for Well Abandonment
Safety Personnel	----	----	
(a) Above Ground	Brandenburg	Included	
(b) Subsurface	Arcadis	Included	As necessary for Well Abandonment
Backfill & Compact material at Tunnels & Basements to Sidewalk Level	Brandenburg	Included	Backfill is only for footings and column pads at Building 42
Soil/Compaction Testing	Brandenburg	See Comments	Plate load testing is included and acceptable
Technical Assistance with Environmental Issues	Allowance	150,000	Use of Arcadis for additional technical services
Unit price for demobilization/remobilization for demolition/abatement	Allowance	120,000	Allowance for 2 demobilizations/ remobilizations based on 3 phases
Added inflation costs for Phase 2 of demolition/ abatement work	Allowance	120,000	Estimate (12,000,000) (50%) (1/2) (4%)
Added inflation costs for Phase 3 of demolition/ abatement work	Allowance	240,000	Estimate (12,000,000) (50%) (1/2) (8%)
Environmental Insurance Products		See Below	
(a) Environmental cleanup cost cap coverage	Marsh	600,000	Cost Estimate per Marsh letter of 2/7/06 - Currently obtaining competitive pricing
(b) Onsite/offsite pollution conditions coverage	Marsh	300,000	Updated per current estimates
(c) Project specific pollution liability coverage	Marsh	120,000	Updated per current estimates
(d) Insurance for Possible Soil Remediation at areas being developed			
	Allowance	100,000	Allowance for insurance premium or soil remediation during development - At excavated areas that may contain contamination requiring remediation not budgeted elsewhere
Legal Fees for procuring Environmental Insurance Products and Assisting with Contract Negotiations	Allowance	50,000	Allowance
Insurance including additional insureds		Included	
100% Performance & Payment Bond	Brandenburg	Included	
Contingency	Allowance	1,000,000	Allowance
<b>TOTAL - Demolition &amp; Abatement Summary</b>		<b>15,169,310</b>	

**Exhibit 6**  
**Pabst Brewery/Brewery Project TID**  
**Itemized Infrastructure Cost Estimate**

DESCRIPTION	SOURCE OF BUDGET ESTIMATE	BUDGET	COMMENTS
Mobilization	----	w/Estimated Costs	
<b>CITY OF MILWAUKEE WORK</b>			
Combined Sanitary & Storm Sewer	City of Milwaukee (1/20/06)	----	
(a) N. 8th Street (Highland to Juneau)	City of Milwaukee	0	Use Existing Sewer per direction of City
(b) N. 9th Street (Highland to Winnebago)	City of Milwaukee	345,400	Updated 5/9/06 - 10% Increase for start of 5/1/07 per City
(c) N. 10th Street (Highland to Winnebago)	City of Milwaukee	197,890	Updated 5/9/06 - 10% Increase for start of 5/1/07 per City
(d) N. 11th Street (Juneau to McKinley)	City of Milwaukee	0	Use Existing Sewer per direction of City
(e) W. Juneau Avenue (7th to 11th)	City of Milwaukee	0	Use Existing Sewer per direction of City
(f) W. McKinley Avenue (10th to 11th)	City of Milwaukee	0	Use Existing Sewer per direction of City
(g) Roundabout (7th & Juneau)	City of Milwaukee	0	See Page 5 for roundabout costs
(h) N. 8th Street (Juneau to Winnebago)	City of Milwaukee	3,300	Updated 5/9/06 - 10% Increase for start of 5/1/07 per City
(i) W. Highland Avenue (8th to 11th)	City of Milwaukee	0	Use Existing Sewer per direction of City
(j) W. Winnebago Street (7th to 11th)	City of Milwaukee	0	Use Existing Sewer per direction of City
<b>SUBTOTAL - Combined Sewer</b>		<b>546,590</b>	
Water	City of Milwaukee (1/20/06)	----	----
(a) N. 8th Street (Highland to Juneau)	City of Milwaukee	0	Not required
(b) N. 9th Street (Highland to Winnebago)	City of Milwaukee	280,500	Updated 5/9/06 - 10% Increase for start of 5/1/07 per City
(c) N. 10th Street (Highland to Winnebago)	City of Milwaukee	0	Water service to be provided as part of different City program
(d) N. 11th Street (Juneau to McKinley)	City of Milwaukee	0	Not required
(e) W. Juneau Avenue (7th to 11th)	City of Milwaukee	0	Water service to be provided as part of different City program
(f) W. McKinley Avenue (10th to 11th)	KM Estimate	75,000	Allowance
(g) Miscellaneous Hydrant Alterations, etc.	City of Milwaukee	110,000	Updated 5/9/06 - 10% Increase for start of 5/1/07 per City
(h) Roundabout (7th & Juneau)	City of Milwaukee	0	See Pages 2 & 4 for roundabout costs
(i) N. 8th Street (Juneau to Winnebago)	City of Milwaukee	0	Not required
(j) W. Highland Avenue (8th to 11th)	City of Milwaukee	0	Not required
(k) W. Winnebago Street (7th to 11th)	City of Milwaukee	0	Not required
<b>SUBTOTAL - Water</b>		<b>465,500</b>	

\* Based on rededication of currently vacated streets

DESCRIPTION	SOURCE OF BUDGET ESTIMATE	BUDGET	COMMENTS
Paving (Full Depth Asphalt) & Walks	City of Milwaukee	----	
(a) Pavement, Sidewalk, and Curb & Gutter Removal	City of Milwaukee	Included	Included in Estimated Paving Costs
(b) N. 8th Street (Highland to Juneau)	City of Milwaukee	39,779	West Side Walk Only - Updated 8/23/06
(c) N. 9th Street (Highland to Winnebago)	City of Milwaukee	262,150	Full Reconstruction - Updated 8/23/06
(d) N. 10th Street (Highland to Winnebago)	City of Milwaukee	332,689	Full Reconstruction - Updated 8/23/06
(e) N. 11th Street (Juneau to McKinley)	City of Milwaukee	149,695	Full Reconstruction - Updated 8/23/06
(f) W. Juneau Avenue (8th to 11th)	City of Milwaukee	493,039	Full Reconstruction - Updated 8/23/06
(g) W. McKinley Avenue (10th to 11th)	City of Milwaukee	110,945	Full Reconstruction - Updated 8/23/06
(h) W. Winnebago (7th to near 11th)	City of Milwaukee	104,792	South Side Walk Only - Updated 8/23/06
(i) N. 8th Street (Juneau to Winnebago)	City of Milwaukee	78,172	Full Reconstruction - Updated 8/23/06
(j) W. Juneau Avenue (7th to 8th)	City of Milwaukee	21,701	North Side Walk Only - Updated 8/23/06
(k) W. Highland Avenue (8th to 11th)	City of Milwaukee	88,101	North Side Walk Only - Updated 8/23/06
(l) Pavement Marking	City of Milwaukee	0	Included in Estimated Paving Costs
(m) Curb & Gutter	City of Milwaukee	Included	Included in Estimated Paving Costs
(n) Sidewalk - 5'-6" wide	City of Milwaukee	Included	Included in Estimated Paving Costs
<b>SUBTOTAL - Paving &amp; Walks</b>		<b>1,681,063</b>	
Roundabout Construction		----	See Roundabout Construction Budget of 2/9/06
(a) Design costs		105,600	City of Milwaukee Estimate Updated 5/9/06 - 10% Increase for start of 5/1/07
(b) Construction costs		352,000	Updated 5/9/06 - 10% Increase for start of 5/1/07 (320,000)(1.10)
<b>SUBTOTAL - Roundabout Construction</b>		<b>457,600</b>	
Streetscape Items			
(a) Street Trees	City of Milwaukee	226,930	Trees in open box outs - Updated 5/9/06 10% Increase for start of 5/1/07 per City
(b) Tree Grates	City of Milwaukee	0	Not required or desired by City of Milwaukee

DESCRIPTION	SOURCE OF BUDGET ESTIMATE	BUDGET	COMMENTS
(c) Remove existing Street Lights		Included	
(d) Street Lighting - City Harp Lights & High Level Lanterns	City of Milwaukee	548,130	Updated 5/9/06 - 10% Increase for start of 5/1/07 per City
(e) Traffic Signals	City of Milwaukee	0	Permanent Light @ Highland & 10th Street included in different City Program
(f) Parking Meters & Signage	City of Milwaukee	198,000	Updated 5/9/06 - 10% Increase for start of 5/1/07 per City
<b>SUBTOTAL - Streetscape Items</b>		<b>973,060</b>	
Design Costs			
(a) DPW Construction Engineering	City of Milwaukee	Included	Included w/Individual Sewer, Water & Paving Estimates
(b) Civil Engineering design costs - previous expenditures for Wispark design		0	Prior civil engineering costs for coordination of offsite infra-structure work - Possibly \$103,000 of previous costs could be included
(c) Less Deposit paid by Wispark for City Engineering included in updated pricing	City of Milwaukee	(50,000)	Revised based on discussion with City
<b>SUBTOTAL - Design Costs</b>		<b>(50,000)</b>	
<b>OTHER ITEMS OF RESPONSIBILITY - CITY OF MILWAUKEE</b>			
Laterals & Additional Storm Water Costs			
(a) Extend sewer line to WisDOT property	KM Estimate	12,000	KM Estimate of 1/26/06
(b) Sewer laterals (Mains to P.L. - all blocks)	KM Estimate	52,500	KM Estimate of 1/26/06
(c) Potential storm water additional costs - add catch basins	KM Estimate	100,000	Possible storm water management requirements - Added 5/9/06
(d) Extend water service to Wis DOT property	KM Estimate	12,000	KM Estimate of 1/26/06
(e) Water Laterals (Mains to P.L. - all blocks)	KM Estimate	80,500	KM Estimate of 1/26/06
Miscellaneous Paving & Walk Costs			
(a) W. Winnebago (7th to near 11th) - Asphalt Overlay	KM Estimate	34,000	2" Overlay Asphalt - May not be needed
(b) Additional 5' walk width for R/W reduction	KM Estimate	139,480	Unit price increased 5/9/06 - 42,000 + s.f. @ \$3.30/s.f.
(c) Full Width Sidewalk in Lieu of Sod	KM Estimate	27,500	Assume 50% of Side Walk Length - Unit price increased 5/9/06
(d) Bumpouts @ Intersections	KM Estimate	0	Not part of updated Development Plan
Streetscape & Site Enhancements			
(a) Decorative Pavement	----	----	----
1. Intersections	KM Estimate	150,000	3 each @ \$50,000
2. Crosswalks & Roundabout	KM Estimate	210,000	14 each @ \$15,000
(b) Cobblestone Pavers	----	Included	Included with Decorative Pavement



DESCRIPTION	SOURCE OF BUDGET ESTIMATE	BUDGET	COMMENTS
(c) Additional Lighting added throughout development	Allowance	200,000	Allowance
(d) Plantings, Bushes & Planting Boxes	Allowance	200,000	Allowance
Roundabout - Purchase Costs & Miscellaneous			See Roundabout Construction Budget of 2/9/06
(a) Portion of teardrop parcel purchase cost		101,500	Purchase from Milwaukee County - 5,075 s.f. @ \$20/s.f.
(b) Triangle parcel (west of roundabout) purchase cost		1	Purchase from Milwaukee County - assume \$1
(c) Vacation of 8th Street between Juneau and Winnebago	City of Milwaukee	126,000	Reroute existing utilities-Not Required if a structure is not constructed at 8th Street (Juneau to Winnebago)
(d) Delete Construction Costs - 8th Street (Juneau to Winnebago)	City of Milwaukee	(66,000)	Construction not required if 8th Street is vacated
(e) Electrical to Sign	KM Estimate	8,000	
(f) Street Enhancements @ Roundabout (Lighting, Signals, Landscaping, etc.)	KM Estimate	15,000	
(g) Additional Sidewalk Width	KM Estimate	8,240	
<b>SUBTOTAL - Other Items of Responsibility City of Milwaukee</b>		<b>1,410,721</b>	
Cost Adjustments & Contingencies - City of Milwaukee			
(a) Asphalt paving cost adjustment	KM Estimate	120,000	Budget Increased for anticipated petroleum products cost increases
(b) Cost Increase Adjustment for City of Milwaukee Work beyond 5/1/08	KM Adjustment	92,000	Adjustment for work beyond 5/1/08 (40%)(4,6000,000)(5%)
(c) Contingency for City Work		453,000	
<b>SUBTOTAL - Cost Adjustments &amp; Contingencies - City of Milwaukee</b>		<b>665,000</b>	
<b>TOTAL - WORK for which City of Milwaukee is Responsible</b>		<b>6,149,534</b>	

DESCRIPTION	SOURCE OF BUDGET ESTIMATE	BUDGET	COMMENTS
<b>BREWERY PROJECT LLC WORK RESPONSIBILITY ITEMS</b>			
WE ENERGIES INFRASTRUCTURE WORK			
Utility Installation			
(a) Electrical Distribution	WE Energies (April 27, 2006)	1,828,700	WE Energies estimate of 1/11/06 (Excludes transformers/ substations valued at \$825,000) - Updated on 4/27/06
(b) Transformers/substations		Not Included	15 onsite transformers not included
(c) Steam Distribution	WE Energies (April 27, 2006)	1,138,000	WE Energies estimate of 1/11/06 - Based on reusing existing tunnels and vaults - Updated on 4/27/06
(d) Gas Distribution	WE Energies (April 27, 2006)	438,400	WE Energies estimate of 1/11/06 - Updated on 4/27/06
(e) Less Embedded Credits	----	----	----
1. Electrical	WE Energies	0	\$0 included based on meeting with WE Energies on 1/20/06
2. Steam	WE Energies	0	\$0 included based on meeting with WE Energies on 1/20/06
3. Gas	WE Energies	0	\$0 included based on meeting with WE Energies on 1/20/06
<b>SUBTOTAL - WE ENERGIES Utility Installation</b>		<b>3,405,100</b>	
<b>OTHER COSTS RELATED TO WE ENERGIES WORK</b>			
Adjustments & Miscellaneous Costs for Electric, Steam & Gas Infrastructure of WE Energies			
(a) Consultant Costs to Compile Utility Loads for WE Energies (added 5/9/06)		15,000	Harwood Engineering Proposal of 4/11/06
(b) Eliminate Steam Distribution at 10th Street (Juneau to Winnebago) and to south side of Juneau Avenue	KM Prorated Estimate	(569,000)	Credit updated based on WE Energies price adjustment/cost update of 4/27/06
(c) Add Gas Distribution to buildings previously serviced with Steam	Allowance	80,000	Allowance
(d) Electrical Vaults	----	----	
1. Modify Below Walks	Allowance	150,000	Required at vault location for WE Energies equipment - Guess 10 ea @ \$15,000
2. Inside Buildings	----	Not Included	
<b>SUBTOTAL - Adjustments &amp; Miscellaneous Costs for Electric, Steam &amp; Gas</b>		<b>(324,000)</b>	
<b>ADDITIONAL WORK RESPONSIBILITY ITEMS</b>			
Miscellaneous Paving & Walks Costs			
(a) Miscellaneous Binder Course Patching (for added utility connections)	Allowance	40,000	Allowance
(b) Irrigation to Trees & Bushes	----	0	Not Required - Use Water Trucks
(c) Public Park construction on Pabst Property	Allowance	400,000	Allowance for construction of 2 public parks
(d) Benches, Bus Stop Enclosures & Garbage Containers	Allowance	80,000	Allowance
Roundabout - Purchase Costs & Miscellaneous			

DESCRIPTION	SOURCE OF BUDGET ESTIMATE	BUDGET	COMMENTS
(a) MATC property - Use for roundabout construction		0	Assume no cost for property purchase for Reconstruction of MATC parking
(b) Construct Parking Lot @ MATC	KM Estimate	76,044	
Miscellaneous Costs			
(a) Street shutdown costs - Juneau Avenue		0	Not required with City issuance of right of entry agreement
(b) Cost Increase Adjustment for WE Energies Work beyond 5/1/08	KM Adjustment	58,400	Adjustment for work beyond 5/1/08 (40%)(2,916,000)(5%)
(c) Site/Street Maintenance between Phases of Infrastructure Work	Allowance	200,000	Allowance
(d) Onsite Utilities	----	Not Included	
(e) Onsite Paving	----	Not Included	
(f) Fountains	----	Not Included	
(g) Cobblestone Pavers @ Onsite Locations	----	Not Included	
(h) Relocate Building 23 (Church) (added 5/9/06)		0	Not part of development plan at this time
(i) Telephone Utilities (SBC)	----	0	Requires verification there is no cost for telephone infrastructure
(j) Cable TV (Time Warner)	----	0	Requires verification there is no cost for cable TV infrastructure
(k) Data/Communications	----	0	Requires verification there is no cost for communications infrastructure
(l) Removal of tunnels crossing Juneau	----	0	Included w/Demolition & Abatement Budget
(m) Abandon Sidewalk Vaults @ West Side of Building 29	KM Estimate	42,400	Demolition & Fill with Demolition Pricing
(n) Temporary Electric Provision & Distribution throughout Site	Allowance	200,000	Allowance
(o) Erosion Control	----	0	w/ Demolition - Verify w/ City of Milwaukee Pricing
(p) Civil Engineering Fees - Coordination Drawings, Etc.	KM Estimate	90,000	Allowance
Contingency for Brewery Project Work Items		367,000	
<b>SUBTOTAL - Additional Work Responsibility Items of Brewery Project LLC</b>		<b>1,553,844</b>	
<b>TOTAL WORK for which Brewery Project LLC is responsible</b>		<b>4,634,944</b>	

<b>TOTAL - Offsite Infrastructure Budget</b>		<b>10,784,478</b>	
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- Notes: (1) Includes sidewalks at 5' width of RW reduction  
(2) Includes projected cost increases for work after 5/1/08  
(a) City of Milwaukee and Streetscape - 92,000  
(b) WE Energies - 58,400  
(3) Includes Contingencies of 820,000