

PROJECT PLAN

TAX INCREMENTAL DISTRICT NO. 100

CITY OF MILWAUKEE

(Zillman Park)

Public Hearing Held: August 15, 2019

Redevelopment Authority Adopted : August 15, 2019

Common Council Adopted:

Joint Review Board Approval:

I. DESCRIPTION OF PROJECT

A. Introduction

Section 66.1105(4)(d), Wis. Stats. Requires the "preparation and adoption of a project for each tax incremental district." This Project Plan is submitted in accordance with this statutory requirement.

B. District Boundaries & Compliance with Statutory Eligibility Criteria

The Zillman Park Tax Incremental District ("District" or "TID") is comprised of five properties. The District is shown in **Map No. 1, "Boundary and Existing Land Use,"** and described more precisely in **Exhibit 1, "Boundary Description."** The area consists solely of whole units of property as are assessed for general tax purposes. A complete list of properties in the District is provided in **Exhibit 2, "Property Characteristics."**

The District contains property totaling 2.76 acres (120,291 square feet), exclusive of public streets and alleys. 53% (64,026 square feet) of the real property located within the District was found to be in need of rehabilitation or conservation work, as defined in Section 66.1337(2m) Wisconsin Statutes. Exhibit 2 illustrates how the properties in the District meet the statutory criteria for Tax Incremental Districts.

Per Wisconsin Statute 66.1105(5)(b) the percentage of territory within the District that will be devoted to retail business at the end of the maximum expenditure period is estimated by the City to be 13.3%.

C. Project Background

Proposed Project

Zillman Park is a City-owned park at 2138 S Kinnickinnic Avenue. The park was built in 1965, updated in 1990 and according to the City's Comprehensive Outdoor Recreation Plan was due for improvements in 2005. Over the past five years, several hundred apartment units have been built within a two-block radius of Zillman Park, without improvements made to the park itself. A project directly adjacent to the Park will soon add 140 residential apartment units and 16,000 square feet of ground floor retail space, including a possible food hall on the first floor. There is a City of Milwaukee lot at 2156 S Allis Street, approximately one block east of Zillman Park that has been prioritized as one of 12 city playgrounds in need of reconstruction. The City's Department of Public Works is looking to decommission the lot in the immediate future for safety reasons and proposes to construct its replacement at Zillman Park. The City is proposing to provide funding to the Department of Public Works through TID#100 to reconstruct the playground at Zillman Park. In addition, the funds would be utilized to construct or install public amenities to improve the Park and better serve the adjacent proposed ground floor commercial space as well as promote additional development of city-owned property within the District.

D. Project Plan Goals and Objectives

Goals and objectives for the District are

1. Provide \$500,000 to make public improvements on property in need of rehabilitation or conservation
2. Eliminate obsolete conditions and blighting influences that impede development and detract from the functionality, aesthetic appearance and economic welfare of this section of the City.

E. Existing Land Uses and Conditions in the District

As discussed above, the District consists of 2.76 acres with one mixed use development currently under construction.

The District is bound on the north by East Bay Street, on the east by East Ward Street, and on the west by South Kinnickinnic Avenue

II. PROJECT PLAN PROPOSALS

- A.** 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 costs or monetary obligations related thereto 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 a proposed method for the relocation of any persons displaced. The plan shall indicate how creation of the tax incremental district promotes the orderly development of the city.”

- B.** Compliance with Statutory Requirements

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

1. “Statement of the Kind, Number, and Location of All Proposed Public Works or Improvements.”
 - a. This plan includes public improvements described in general below. The specific kind, number, and locations of public improvements will be based on detailed final plans, specifications and budget estimates as approved by the Department of City Development for project and site development.
 1. Construct new children’s play area and associated amenities in Zillman Park.
 - b. The number and location of proposed public works and improvements are shown in **Map No. 3, “Proposed Uses and Improvements”**

2. “Detailed List of Estimated Project Costs”

The costs included in this 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 , if appropriate, in any Agreement(s) presently or subsequently entered into by and between the City of Milwaukee, the Redevelopment Authority of the City of Milwaukee, and/or eligible, designated developer(s), which agreements are incorporated herein by reference, provided further that such expenditures are necessitated by this Project Plan.

Table A
Lists of Estimated Project Costs

A	Capital: Public Improvements	\$500,000
B	Other: Administrative, professional, & legal	\$ 50,000
	Total Estimated Project Costs, excluding financing	\$550,000
C	Financing: Interest payment on bonds (Incl. capitalized interest)	\$312,788

3. “Description of Timing and Methods of Financing”
 - a. Estimated Timing of Project and Financing Costs

All expenditures for the improvements are expected to be incurred in 2019-2021

- b. Project costs are to be financed as follows:
 - i. \$500,000 GO bonds

- 4. “Economic Feasibility Study”
The Economic Feasibility Study for the District, is attached hereto as **Exhibit 4**. Based upon the anticipated tax incremental revenue to be generated by the projects, the District is financially feasible and is likely to be retired on or before the year 2023.

- 5. “Map Showing Existing Uses and Conditions.”

Please refer to **Map No. 1, “Boundary and Existing Land Use,”** and **Map No. 2, “Structure Condition”** and **Exhibit 3, “Parcel Owners”** in the Exhibits Section which follows.

- 6. “Map Showing Proposed Uses and Improvements”
Please refer to **Map No. 3, “Proposed Uses and Improvements,”** in the Exhibits Section which follows.

- 7. “Proposed Change of Zoning Ordinances, Master Plan Building Codes and City Ordinances.”

Please refer to **Map No. 4, “Existing Zoning,”** in the Exhibits Section which follows. The proposed project is consistent with the existing zoning, and the existing master plan, map, building codes, and other city ordinances. The project should not require amendments to their provisions.

- 8. “List of Estimated Non-Project Costs.”

There are no non-project costs.

- 9. “Proposed Method for Relocation.”

This Plan does not anticipate the acquisition of property by the City of Milwaukee or by the Redevelopment Authority. Accordingly, no relocation activities or expenditures for relocation payments or services are provided herein.

- 10. “Statement Indicating How District Creation Promotes Orderly City Development.”

The creation of the District will provide a means to facilitate the improvement of a property in need of rehabilitation or conservation. Specifically, the proposal to replace a deteriorated playground with a new children’s play area and associated public amenities is consistent with the recommended vision of the Southeast Side

Area Plan, which calls for the preservation of the traditional physical characteristics of its neighborhoods as a means of maintaining a high quality of life. The improvements to the park will help to activate an underutilized space by complimenting the adjacent private development as well as increase the marketability of the three city-owned development parcels within the District. In addition, the proposed District will advance the recommendations of the City of Milwaukee’s Comprehensive Outdoor Recreation Plan 2016-2021 by reconstructing the Allis tot lot, which was one of 12 playgrounds identified for reconstruction between 2018-2021, while also assisting to eliminate the current outdoor playground reconstruction and ADA conversion backlog on all City Park sites.

11. “Opinion of the City Attorney” Please refer to **Exhibit 6**

APPENDIX

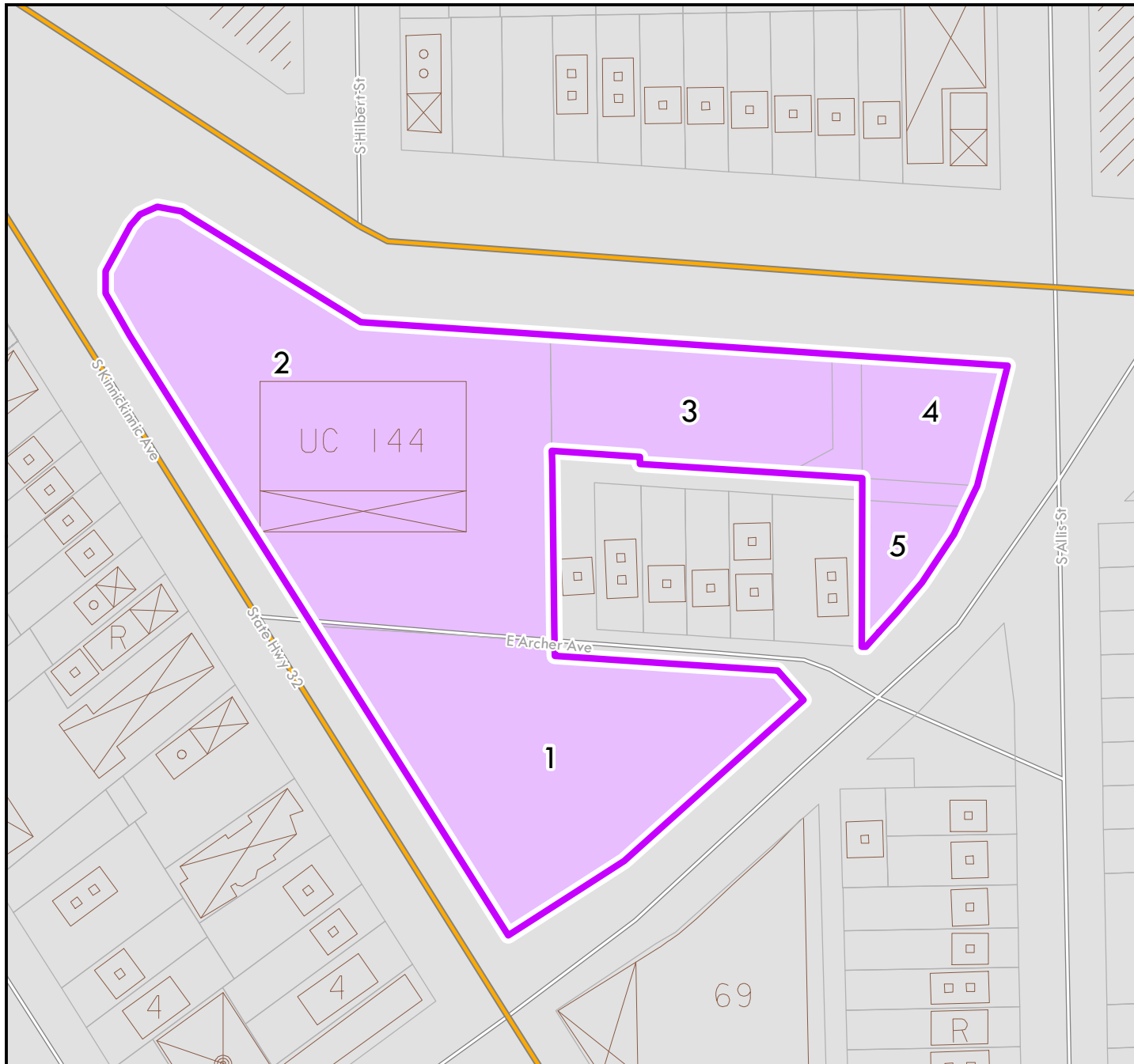
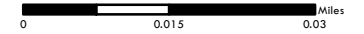
List of Exhibits

- Map 1: Boundary and Existing Land Use
- Map 2: Site and Structure Condition
- Map 3: Proposed Uses and Improvements
- Map 4: Existing Zoning
- Exhibit 1: Boundary Description
- Exhibit 2: Property Characteristics
- Exhibit 3: Parcel Owners
- Exhibit 4: Economic Feasibility Analysis
- Exhibit 5: Non-Project Costs
- Exhibit 6: Opinion of the City Attorney

TID 100: ZILLMAN PARK, MAP 1

BOUNDARY AND EXISTING LAND USE

Prepared by the Department of City Development Planning Division, 7/31/2019
 Source: DCD Planning Division; Information Technology Management Division



PROPERTY LIST

No.	Taxkey	Property Address
1	466-0317-110	2168 S KINNICKINNIC AV
2	466-1693-000	324 E ARCHER AV
3	466-1692-000	353 E BAY ST
4	466-1001-130	385 E BAY ST
5	466-1013-100	2121 S ALLIS ST

MAP LEGEND

- Parcel Boundary
- TID 100 Boundary

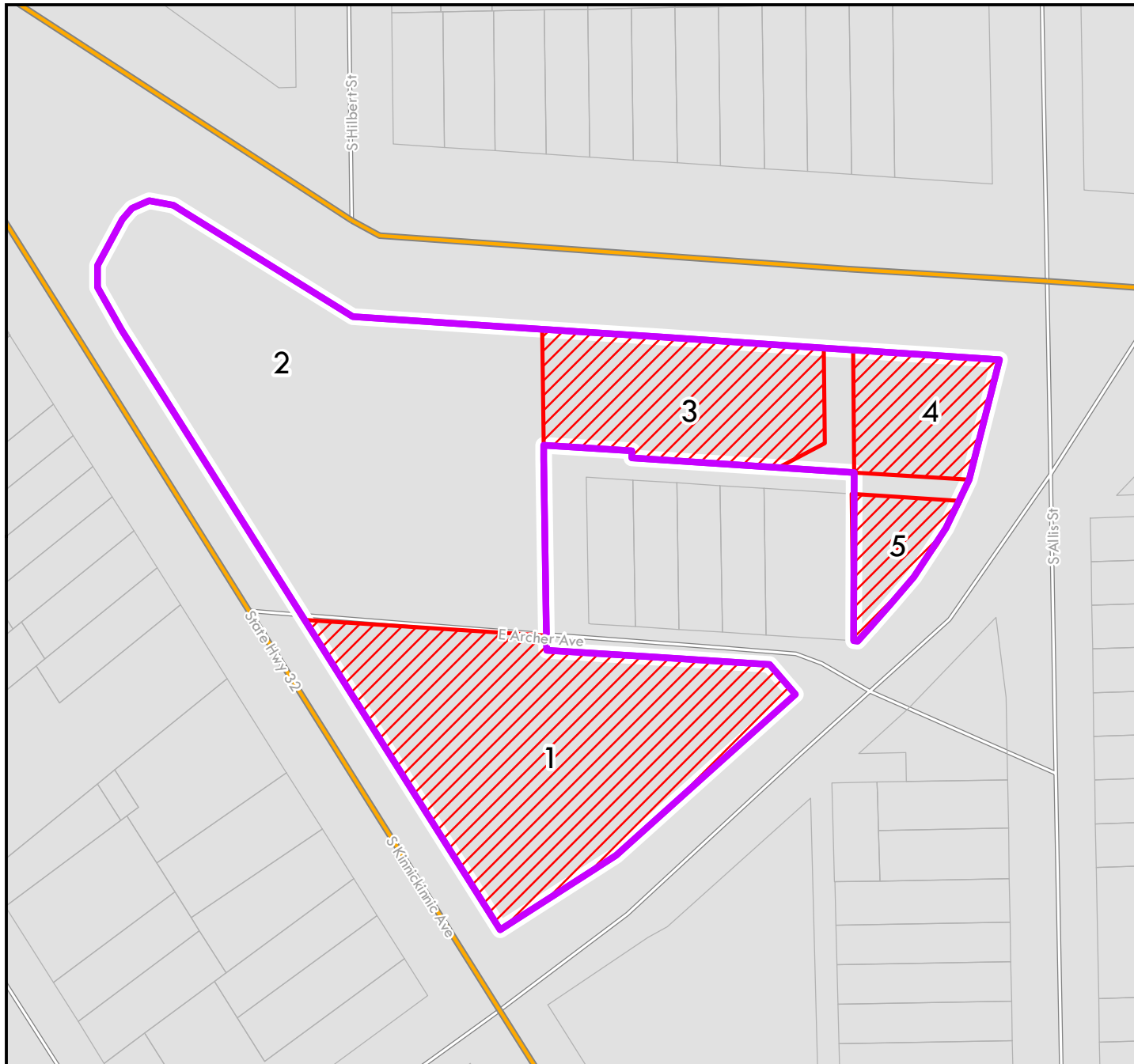
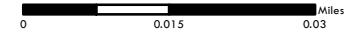
Current Land Use

- 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
- PLAYGROUND
- PARK
- CEMETERY
- PARKING
- BASKETBALL COURT
- TENNIS COURT
- FENCE
- ELECTRICAL LINE TRANSMISSION TOWER
- ELECTRICAL LINE
- UNDER CONSTRUCTION

TID 100: ZILLMAN PARK, MAP 2

STRUCTURE CONDITION

Prepared by the Department of City Development Planning Division, 7/31/2019
Source: DCD Planning Division; Information Technology Management Division



PROPERTY LIST

No.	Taxkey	Property Address
1	466-0317-110	2168 S KINNICKINNIC AV
2	466-1693-000	324 E ARCHER AV
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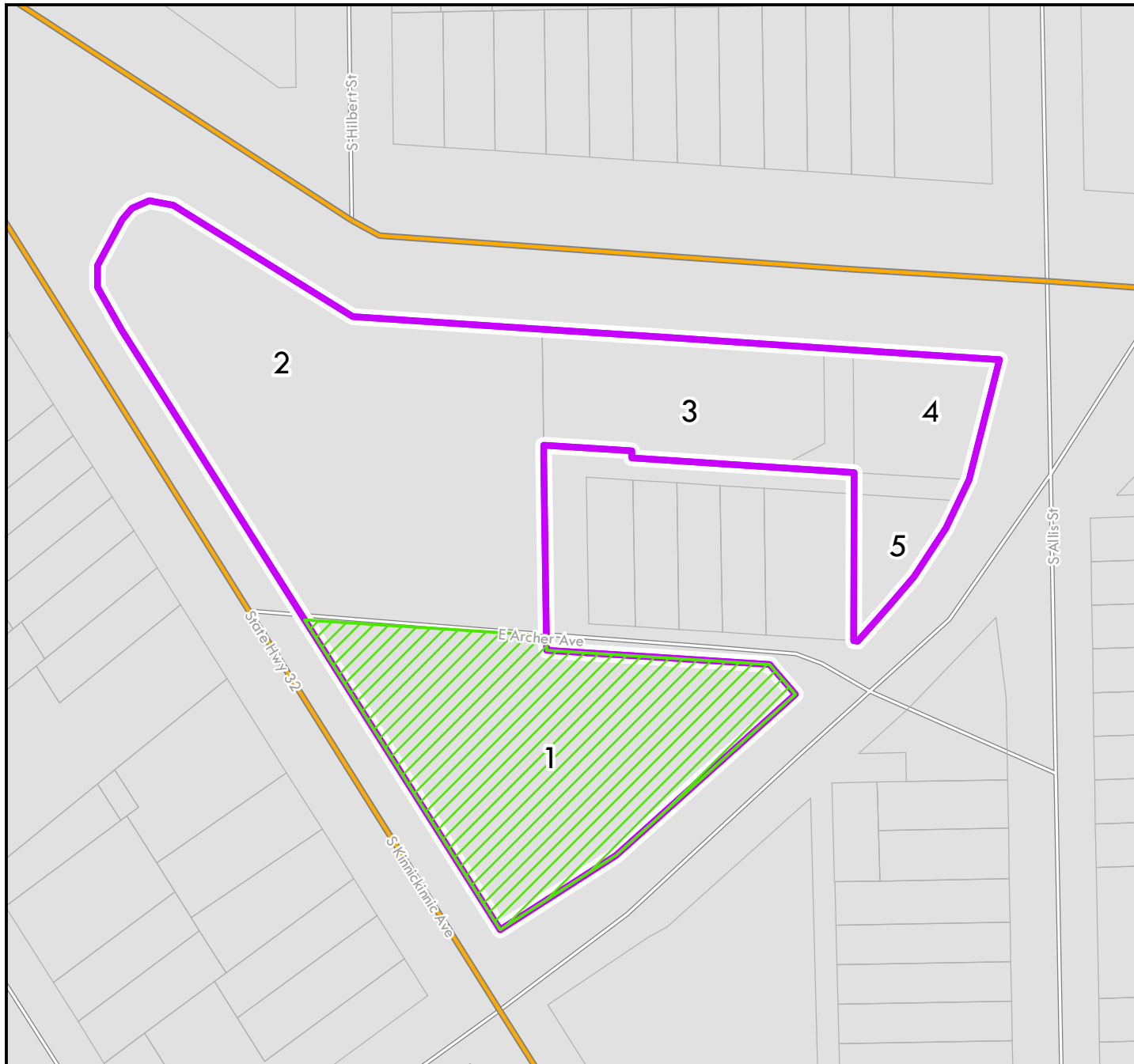
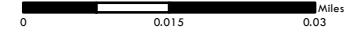
MAP LEGEND

- TID 100 Boundary
- In Need of Rehabilitation or Conservation
- Parcel Boundary

TID 100: ZILLMAN PARK, MAP 3

PROPOSED USES AND IMPROVEMENTS




Prepared by the Department of City Development Planning Division, 7/31/2019
 Source: DCD Planning Division; Information Technology Management Division



PROPERTY LIST

No.	Taxkey	Property Address
1	466-0317-110	2168 S KINNICKINNIC AV
2	466-1693-000	324 E ARCHER AV
3	466-1692-000	353 E BAY ST
4	466-1001-130	385 E BAY ST
5	466-1013-100	2121 S ALLIS ST

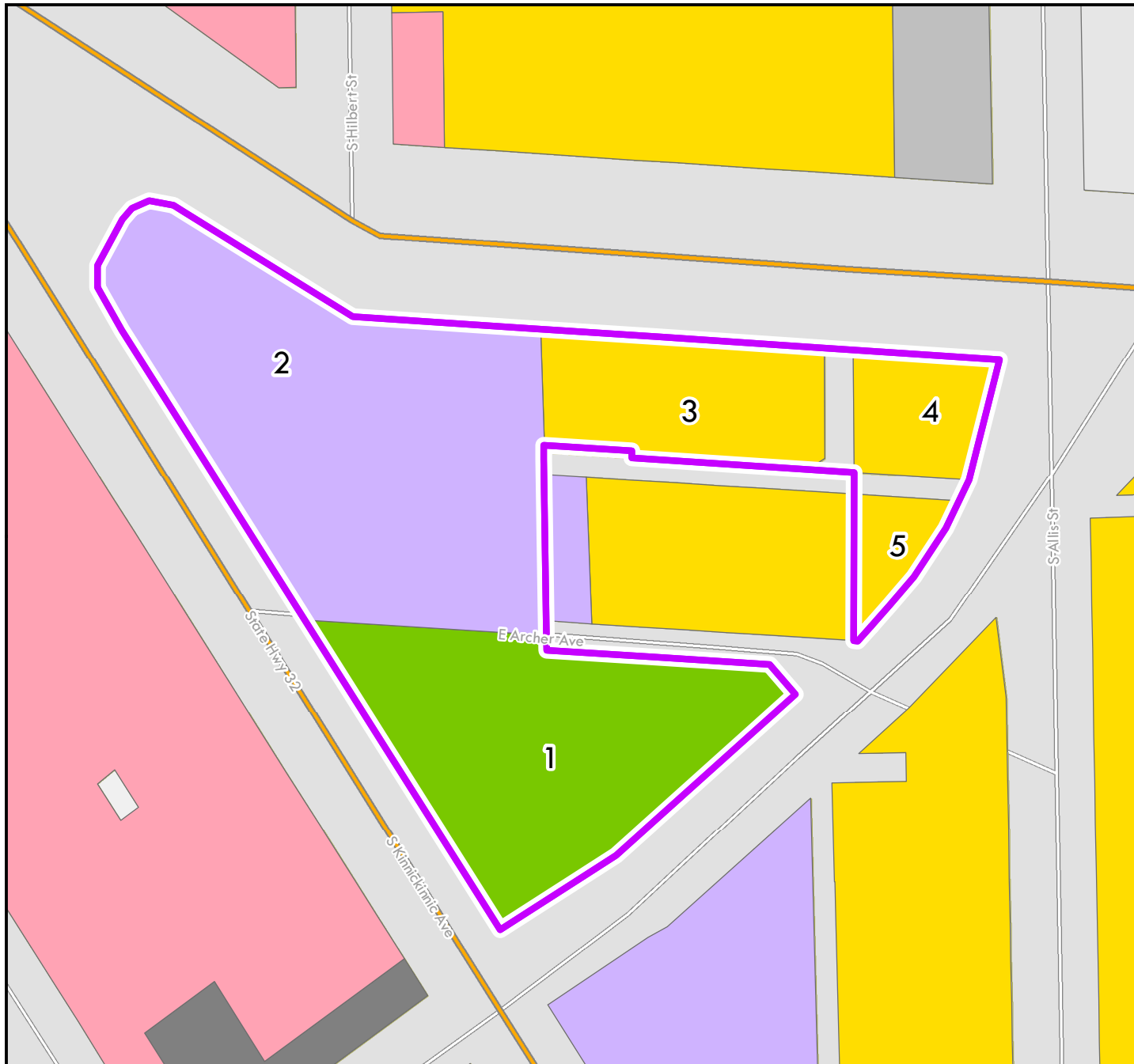
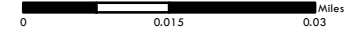
MAP LEGEND

-  TID 100 Boundary
-  Parcel Boundary
-  Proposed Improvements

TID 100: ZILLMAN PARK, MAP 4

EXISTING ZONING

Prepared by the Department of City Development Planning Division, 9/9/2019
 Source: DCD Planning Division; Information Technology Management Division



PROPERTY LIST

No.	Taxkey	Property Address
1	466-0317-110	2168 S KINNICKINNIC AV
2	466-1693-000	324 E ARCHER AV
3	466-1692-000	353 E BAY ST
4	466-1001-130	385 E BAY ST
5	466-1013-100	2121 S ALLIS ST

MAP LEGEND

- TID 100 Boundary
- Parcel Boundary
- Commercial - Local Business
- Industrial - Office
- Industrial - Light
- Industrial - Mixed
- Residential - Two Family
- Special - Parks
- Special - Planned Development

EXHIBIT 1
Boundary Description

Beginning at a point at the intersection of the northwest line of East Ward Street and the northeast line of South Kinnickinnic Avenue;

Thence, northwest and northeast along the northeast line of South Kinnickinnic Avenue to its intersection with the south line of East Bay Street;

Thence, southeast and east along the south line of East Bay Street its intersection with the northwest line of East Ward Street;

Thence, southwest along the northwest line of East Ward Street to its intersection with east line of 348 East Archer Avenue;

Thence, north along the east line of 348 East Archer Avenue to its intersection with the north line of the east-west alley in the block bounded by East Ward Street, South Kinnickinnic Avenue and East Bay Street;

Thence, west along the north line of the east-west alley in the block bounded by East Ward Street, South Kinnickinnic Avenue and East Bay Street to its intersection with the west line of the north-south alley in the block bounded by East Ward Street, South Kinnickinnic Avenue and East Bay Street;

Thence, south along the west line of the north-south alley in the block bounded by East Ward Street, South Kinnickinnic Avenue and East Bay Street to its intersection with the south line of East Archer Avenue;

Thence, east along the south line of East Archer Avenue to its intersection with the northwest line of East Ward Street;

Thence, southwest along the northwest line of East Ward Street to the point of beginning and more particularly depicted in Map 1 of this Project Plan.

EXHIBIT 2
Property Characteristics

Findings substantiating that not less than 50% by area, of the real property within the proposed district is in need of conservation or rehabilitation within the meaning of Section 66.1105(4)(a), Wisconsin Statutes

		Assessed Valuation 1/1/2019				
Parcel No.	Tax Key No.	Land	Improvements	Total	Total Area (sf)	In need of conservation or rehabilitation
1	4660317110	\$ -	\$ -	\$ -	36,620	36,620
2	4661691000	\$2,049,600	\$ -	\$ 2,049,600	56,265	0
3	4661692000	\$ -	\$ -	\$ -	15,652	15,652
4	4661001130	\$ -	\$ -	\$ -	7,490	7,490
5	4661013100	\$ -	\$ -	\$ -	4,264	4,264
Total		\$2,049,600	\$ -	\$ 2,049,600	120,291	64,026
Percentage					100%	53%

EXHIBIT 3
Parcel Owners

Parcel No.	Tax Key	Low	High	Dir	Street	ST	Owner Name
1	4660317110	2168	2168	S	Kinnickinnic	AV	City of Milwaukee
2	4661691000	2130	2130	S	Kinnickinnic	AV	Hamburger Lofts LLC
3	4661692000	353	353	E	Bay	ST	City of Milwaukee
4	4661001130	385	385	E	Bay	ST	City of Milwaukee
5	4661013100	2121	2121	S	Becher	ST	City of Milwaukee

EXHIBIT 4

**Economic Feasibility Study For:
Zillman Park**

Zillman TID Feasibility

No.	Assessment	Budget	Base	Projected	TID	Increment	Cumulative	Debt Service on	Total		After reserving	TID
	Year	Year	Value	Value	Incremental Value				Inc. Revenue	Project Costs		
1	2019	2020	2,049,600	2,049,600	-	-	-	(26,125)	(26,125)	(26,125)	(854,245)	
2	2020	2021	2,049,600	2,049,600	-	-	-	(26,125)	(26,125)	(52,250)	(854,245)	No
3	2021	2022	2,049,600	10,000,000	7,950,400	221,419	221,419	(26,125)	195,294	143,044	(632,827)	No
4	2022	2023	2,049,600	16,800,000	14,750,400	410,799	632,217	(26,125)	384,674	527,717	(222,028)	No
5	2023	2024	2,049,600	16,968,000	14,918,400	415,477	1,047,695	(57,673)	357,805	885,522	193,449	YES
6	2024	2025	2,049,600	17,137,680	15,088,080	420,203	1,467,898	(57,673)	362,530	1,248,052	613,652	YES
7	2025	2026	2,049,600	17,309,057	15,259,457	424,976	1,892,874	(57,673)	367,303	1,615,355	1,038,628	YES
8	2026	2027	2,049,600	17,482,147	15,432,547	429,796	2,322,670	(57,673)	372,124	1,987,479	1,468,425	YES
9	2027	2028	2,049,600	17,656,969	15,607,369	434,665	2,757,335	(57,673)	376,992	2,364,472	1,903,090	YES
10	2028	2029	2,049,600	17,833,539	15,783,939	439,583	3,196,918	(57,673)	381,910	2,746,382	2,342,673	YES
11	2029	2030	2,049,600	18,011,874	15,962,274	444,549	3,641,467	(57,673)	386,877	3,133,258	2,787,222	YES
12	2030	2031	2,049,600	18,191,993	16,142,393	449,566	4,091,033	(57,673)	391,893	3,525,151	3,236,787	YES
13	2031	2032	2,049,600	18,373,913	16,324,313	454,632	4,545,665	(57,673)	396,959	3,922,110	3,691,420	YES
14	2032	2033	2,049,600	18,557,652	16,508,052	459,749	5,005,414	(57,673)	402,077	4,324,187	4,151,169	YES
15	2033	2034	2,049,600	18,743,228	16,693,628	464,918	5,470,332	(57,673)	407,245	4,731,432	4,616,086	YES
16	2034	2035	2,049,600	18,930,661	16,881,061	470,138	5,940,469	(57,673)	412,465	5,143,897	5,086,224	YES
17	2035	2036	2,049,600	19,119,967	17,070,367	475,410	6,415,879	(57,673)	417,737	5,561,634	5,561,634	YES
18	2036	2037	2,049,600	19,311,167	17,261,567	480,735	6,896,614		480,735	6,042,368	6,042,368	YES
19	2037	2038	2,049,600	19,504,278	17,454,678	486,113	7,382,727		486,113	6,528,481	6,528,481	YES
20	2038	2039	2,049,600	19,699,321	17,649,721	491,545	7,874,271		491,545	7,020,026	7,020,026	YES
21	2039	2040	2,049,600	19,896,314	17,846,714	497,031	8,371,302		497,031	7,517,057	7,517,057	YES
22	2040	2041	2,049,600	20,095,278	18,045,678	502,572	8,873,874		502,572	8,019,629	8,019,629	YES
23	2041	2042	2,049,600	20,296,230	18,246,630	508,169	9,382,043		508,169	8,527,798	8,527,798	YES
24	2042	2043	2,049,600	20,499,193	18,449,593	513,821	9,895,864		513,821	9,041,619	9,041,619	YES
25	2043	2044	2,049,600	20,704,185	18,654,585	519,530	10,415,394		519,530	9,561,149	9,561,149	YES
26	2044	2045	2,049,600	20,911,226	18,861,626	525,296	10,940,691		525,296	10,086,445	10,086,445	YES
27	2045	2046	2,049,600	21,120,339	19,070,739	531,120	11,471,811		531,120	10,617,565	10,617,565	YES
						11,471,811		(854,245)	10,617,565			

Annual appreciation	1.010	
Interest Rate	4.75%	
Base Value	2,049,600	(2019 value)
Property Tax rate	2.785%	
Project Costs	550,000	

EXHIBIT 5

Non-Project Costs

There are no non-project costs

EXHIBIT 6

Opinion of the City Attorney