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March 17, 2026

Members of the Zoning, Neighborhoods  
& Development Committee  
City of Milwaukee  
City Hall, Room 205  
Milwaukee, WI 53202

RE: File 251869, TID 131 – FORMA

Dear Committee Members:

File 251869 would approve the creation of Tax Incremental District (TID) 131, FORMA (the “District”), along with a corresponding project plan and term sheet. The Comptroller’s Office has reviewed the project plan, feasibility study, and term sheet. We’ve also had discussions with the Department of City Development (“DCD”) and confirmed pro-forma details with the Assessor’s Office. The Comptroller’s Office analysis is based on the information provided.

The District is located at the southeast corner of South 4<sup>th</sup> Street and West Florida Street in the City’s Walker’s Point neighborhood. The site is comprised of one parcel at 412 South 4th Street and will be developed by New Land Enterprises, LLC (the “Developer”). The Developer is proposing the removal of a parking lot and two vacant houses for the construction of a new six-story multi-family building with 65 residential units. (the “Project”). All apartments will be reserved as affordable for those with incomes between 80-100% of Area Median Income.

The total estimated costs for the Project are approximately \$17,900,000 and this file authorizes a \$2,975,000 grant to the Developer to assist in funding a portion of these costs. The Developer will advance the \$2,975,000. The District will make annual payments to the Developer equal to the incremental taxes collected in the District, less an annual administration charge of \$10,000. The District’s payments will terminate at the earlier of the repayment of \$2,975,000 plus 6.5% interest, or the payment derived from the 2048 levy payable in 2049 (year 23 of the District).



**Is This Project Likely to Succeed?**

As a Developer-financed TID, the Developer assumes the risk that the proposed District will generate sufficient incremental revenue to recapture their \$2,975,000 investment with interest.

DCD’s feasibility study, completed by Ehlers Public Finance Advisors, which uses a constant 2.2385380% property tax rate and 1% inflation rate over the life of the District, forecasts that the Developer will fully recover the \$2,975,000 plus interest in 2049 after receipt of the 2048 levy. However, if the tax rate does not remain constant, the Developer may not recover the entire \$2,975,000 plus interest. Nonetheless, because the Developer, not the City, assumes the repayment risk on their up to \$2,975,000 contribution, the proposed District to the City is economically feasible.

**Sensitivity Analysis**

There is inherent risk in every projection of future results. One common way to evaluate this risk is to provide sensitivity analysis, which forecasts the impact that different assumptions have on the projection. Below is a table calculated by the Comptroller’s Office, which summarizes several scenarios to show the sensitivity of the projected incremental revenues within the District.

<b>Sensitivity Analysis</b>	
Percentage of Projected Revenue	District Payback Year
90%	2049*
95%	2049*
100% (Base Case)	2049
105%	2047
110%	2046

*\* 2049 is the final year of the monetary obligation. The Developer would not fully recover their investment, plus interest, in this scenario.*

It is important to note that the payback year relates to the expected year in which the Developer will recover their investment. Since the Project will be financed by the Developer, the City is not at risk of losing the \$2,975,000.

**Is the Proposed Level of City Financial Participation Required to Implement the Project?**

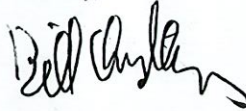
This proposed District allows the City to provide incentive to the Developer to develop the Property while minimizing the City’s involvement and risk.

**Conclusion**

The proposed District provides incentive for the Developer to construct a new multi-family residential building that includes a mix of apartments, which will provide workforce housing options for people across a range of incomes. The Developer will assume the financial risk and the Project should increase the City's tax base.

Should you have any questions regarding this letter, do not hesitate to contact Jesse Hagen at extension 5839.

Sincerely,

A handwritten signature in black ink, appearing to read "Bill Christianson". The signature is fluid and cursive, with a long horizontal stroke at the end.

Bill Christianson, CPFO  
Comptroller

CC: Larry Kilmer, Charles Roedel

BC:JH