

AMENDMENT NO. 1 to the PROJECT PLAN for  
TAX INCREMENTAL DISTRICT NUMBER 47  
CITY OF MILWAUKEE  
(875 E. Wisconsin)

**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 district. The Common Council created Tax Incremental District Number 47 on March 5, 2002 for the purpose of facilitating the development of a 200,000 s.f. office building with structured parking at an infill site in downtown Milwaukee. This amendment will allow the district to provide additional financial assistance for the public infrastructure and to provide an Economic Development Assistance Grant to assist in the relocation of a major corporate headquarters facility to downtown Milwaukee. This amendment is submitted in fulfillment of the requirements of section 66.1105, Wisconsin Statutes.

**Changes to the Project Plan**

The following amendment is made to the project plan. All other sections of the plan remain unchanged.

Replace Table A in Section II.B.2. "Detailed List of Estimated Project Costs" with the following:

Table A  
List of Estimated Project Costs<sup>1</sup>

A	Capital: Grant to RACM and/or developer for infrastructure and other site improvements - \$2,200,000 Economic Development Assistance Grant - \$300,000	\$2,500,000
B	Other: Administrative, professional, organizational and legal: \$150,000 Capitalized interest: \$238,500	\$388,500
	<b>Total Estimated Project Costs, excluding financing</b>	<b>\$2,888,500</b>
C	Financing:	\$1,146,500

Replace Schedule A in section II.B.3. "Description of Timing and Methods of Financing" with the following:

<sup>1</sup> The City of Milwaukee and RACM reserve the right to make only those improvements and to undertake only those activities that are deemed economically feasible and appropriate during the course of project implementation and which are commensurate with positive growth tax increment. The improvements necessitated by this project may be modified as to kind, number, location, and the costs reallocated at any time during project execution based on more definitive architectural or engineering studies or construction plans without further amendment of this plan.

Schedule A  
Estimated Timing of Project Costs

<b>Year</b>	<b>Estimated Project Cost</b>	<b>Cumulative Total</b>
2002	\$1,500,000	\$1,500,000
2003	\$1,150,000	\$2,650,000
2004	\$119,500	\$2,769,500
2005	\$119,500	\$2,889,000

In section II.B.3.b. "Estimated Method of Financing Project Costs", under "Sale of General Obligation Bonds", replace "\$1,485,000" with "\$2,889,000"

Add to section B.4. "Economic Feasibility Study":

The Economic Feasibility Study for Amendment No. 1 to this plan, prepared by the Department of City Development and titled *Economic Feasibility Study, Tax Incremental District No. 47, Amendment No. 1, May 2003*, is on file in the Office of the Redevelopment Authority, 809 North Broadway, Milwaukee, Wisconsin, and in the Office of the City Clerk of the City of Milwaukee, 200 East Wells Street, Room 205, Milwaukee Wisconsin. The study is incorporated herein by reference. The study establishes the dollar value of project costs which, based on certain general assumptions and a reasonable margin of safety, could be financed with the revenues projected to be generated by the proposed tax incremental district.

Based upon the anticipated tax incremental revenue to be generated by this project, the District shows a cumulative surplus in the 7<sup>th</sup> year (2008) and is expected to retire on schedule.

**EXHIBIT D**

**FORECAST OF DISTRICT CASH FLOW  
TAX INCREMENTAL DISTRICT NO. 47  
AMENDMENT NO. 1**

Yr.	Real Prop. Value	Personal Prop. Value	Est. District Value	Base Value	Incremental Value	Tax Inc. Revenue	Bond Payment	Annual Surplus (Deficit)	Cumulative Surplus (Deficit)
2002	\$ 19,430,000	\$ 400,000	\$ 19,830,000	\$ 19,830,000	\$0	\$ -		\$ -	\$ -
2003	\$ 24,382,266	\$ 400,000	\$ 24,782,266	\$ 19,830,000	\$4,952,266	\$ -	\$ -	\$ -	\$ -
2004	\$ 53,214,000	\$ 2,007,775	\$ 55,221,775	\$ 19,830,000	\$35,391,775	\$ 138,663	\$ -	\$ 138,663	\$ 138,663
2005	\$ 54,214,000	\$ 2,457,775	\$ 56,671,775	\$ 19,830,000	\$36,841,775	\$ 990,970	\$ 269,000	\$ 721,970	\$ 865,140
2006	\$ 55,714,000	\$ 2,500,000	\$ 58,214,000	\$ 19,830,000	\$38,384,000	\$ 1,031,570	\$ 269,000	\$ 762,570	\$ 1,655,826
2007	\$ 55,714,000	\$ 2,000,000	\$ 57,714,000	\$ 19,830,000	\$37,884,000	\$ 1,074,752	\$ 269,000	\$ 805,752	\$ 2,515,393
2008	\$ 55,714,000	\$ 2,000,000	\$ 57,714,000	\$ 19,830,000	\$37,884,000	\$ 1,060,752	\$ 269,000	\$ 791,752	\$ 3,388,895

**Notes:**

base is the 2002 real property assessments plus a \$400,000 estimate of personal property

Personal Property is based on \$15 per s.f. for office

Tax Rate is \$28 per \$1000 of value

Debt service is based on \$2.65 million plus 2 years of capitalize interest for a total of \$2.89 million 4.5%, 15 year LDS

The real and personal property values of the 811 E. Wisconsin remains stable throughout the life of the district

2003 reflects current assessment of the properties

2004 reflects leases with Roundy's, Artisan, CG Schmidt and Ernst and Young and half the parking value

2005 adds \$1.0 million in parking value

2006 the full value of parking asset is recognized

In 2008 a sufficient surplus is achieved to close the district