

**AMENDMENT NO. 6  
TO THE PROJECT PLAN  
FOR  
TAX INCREMENTAL FINANCING DISTRICT  
NO. 48  
(PARK EAST)**

**Public Hearing Held: January 18, 2024**

**Redevelopment Authority Adopted:**

**Common Council Adopted:**

**Joint Review Board Approved:**

**AMENDMENT NO. 6 TO THE PROJECT PLAN FOR  
TAX INCREMENTAL DISTRICT NO. 48  
CITY OF MILWAUKEE  
(PARK EAST)**

**Introduction:**

Wis. Stat. 66.1105 (4)(h)(1) permits the Redevelopment Authority, subject to the approval of the Common Council and Joint Review Board, to amend a project plan for a tax incremental financing district.

Wis. Stat. 66.1105(2)(f)1.n., permits, with Joint Review Board approval (Wis. Stat. 66.1105 (4m)(d)), inclusion in a project plan project costs incurred for territory located within a one half-mile of the district's boundaries and within the city that created the district.

Wis. Stat. 66.1105 (6)(f) allows an existing tax incremental district to donate positive tax increments to another existing tax incremental district if certain conditions are met.

Tax Increment District No. 48 (referred to as the "District" or "TID 48") was created on March 5, 2002 by Common Council File No. 011182, to fund public infrastructure to encourage redevelopment of the former Park East Freeway Corridor, 60-acres of land made available by the removal of the Park East Freeway.

Amendment No. 1 to the Project Plan, approved May 3, 2005 by Common Council File No. 041514, included an increase in funding for additional public infrastructure improvements and changed the boundary of the District.

Amendment No. 2, approved July 26, 2011 by Common Council File No. 101297, approved an Amended and Restated Project Plan which included \$300,000 for administration costs and a \$4,628,940 loan for the second phase of the North End project in addition to \$2.2 million for the public infrastructure improvements associated with that phase of the project. It also incorporated previous authorizations for increases in spending administrative expenses, the Aloft Riverwalk (Common Council File No. 071392), a loan to the Moderne residential development project and a plaza at Broadway and Water Streets (Council File No. 090687).

Amendment No. 3, approved March 1, 2016 by Common Council File No. 151547, approved an Amended and Restated Project Plan which included \$375,000 for Workforce Training and Capacity Building Programs.

Amendment No. 4, approved July 26, 2016 by Common Council File No. 160418, approved an Amended and Restated Project Plan which included up to \$1,530,000 for public infrastructure associated with the Laacke and Joys redevelopment project. This Public Infrastructure included approximately 390 linear feet of Riverwalk and dockwall, as well as a public access connection from Water Street to the Riverwalk. In addition, the amendment provided an additional \$453,000 to cover increased costs to construct the 460

linear foot Riverwalk, dockwall, Broadway stub end street and the Edison Street extension associated with Phase IV of the North End development project, at 1501 North Water Street.

Amendment No. 5, approved April 18, 2023 by Common Council File No. 221817, approved an Amended and Restated Project Plan which included \$15,750,000 for costs associated with the construction of the Vel R. Phillips Plaza at 401-41 West Wisconsin Avenue, \$4,350,000 for public infrastructure improvements, \$500,000 towards commercial property renovation and \$150,000 in administrative costs, totaling \$20,750,000.

Amendment No. 6 to the Project Plan (the “Amendment”) would provide up to \$1,900,000 for design and public infrastructure improvements to North Water Street from East Pleasant Street to East Kilbourn Avenue, \$1,300,000 for design and public infrastructure improvements to West Kilbourn Avenue from the Milwaukee River to North 6th Street, \$1,500,000 for costs associated with the construction of the Vel R. Phillips Plaza at 401-41 West Wisconsin Avenue, \$500,000 for the design of improvements to Red Arrow Park, \$50,000 for the design of improvements to City Hall Square, a \$500,000 contingency and \$250,000 in administrative costs, totaling \$6,000,000. The Amendment also provides up to \$11,750,950 in donations from TID 48 to Tax Incremental District No. 74 (North 35th Street and West Capitol Drive) (referred to as “**TID 74**”).

#### **Amendments to the TID 48 Project Plan:**

The following amendments are made to the TID 48 Project Plan. All other sections of the TID 48 Project Plan remain unchanged.

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

##### **Sub-Section C, “Plan Objectives,” is amended by adding the following:**

Amendment No. 6 adds project costs to achieve the following objectives:

- Provide funding for the design of improvements to West Kilbourn Avenue and North Water Street, as well as the installation of bike/pedestrian and traffic calming improvements.
- Provide funding for the Vel R. Phillips Plaza that will serve as a public asset on West Wisconsin and Vel R. Phillips Avenues.
- Provide funding for the design of improvements to Red Arrow Park and City Hall Square.
- Provide donations to another tax incremental district, TID 74, which has not created sufficient incremental revenue to recover the TID 74 project costs.

**Sub-Section D, “Proposed Public Action,” is amended by adding the following:**

Amendment No. 6 Public Infrastructure. Pursuant to Amendment No. 6, the following public improvements and infrastructure expenditures, which are project costs per Section 66.1105(2)(f) Stats., are expected to occur within the District and within a one half-mile radius of the District boundary, per Section 66.1105(2)(f) Stats, as shown in the attached “TID 48 (Park East) Amendment No. 6 Public Infrastructure Improvements Map”:

- North Water Street: Design of an improved North Water Street from East Pleasant Street to East Kilbourn Avenue, as well as bike/ped or traffic calming improvements to East Juneau Avenue adjacent to North Water Street (approximately, \$1,900,000).
- West Kilbourn Avenue: Design of an improved West Kilbourn Avenue, as well as improvements to the existing all ages and abilities bike facility on West Kilbourn Avenue from the Milwaukee River to North 6th Street, including bike/ped or traffic calming improvements to adjacent streets, such as North Plankinton Avenue (approximately, \$1,300,000).
- Vel R. Phillips Plaza: Additional funding for construction of a the Vel R. Phillips plaza (approximately \$1,500,000).
- Red Arrow Park: Design of an improved Red Arrow Park (approximately \$500,000).
- City Hall Square: Design of an improved City Hall Square (approximately \$50,000).
- Contingency: Contingency for the above public infrastructure improvements (\$500,000).

Donations to TID 74. TID 74 was created in 2009 to provide \$15.6m in funding for the environmental remediation of Century City. To date, TID 74 has not generated sufficient incremental revenue to pay off its existing debt, despite a redetermination of its base value in 2014. Including interest, TID 74 currently has approximately \$18,960,618 in existing debt. This amendment would provide up to \$11,750,950 in donations from TID 48 (as the donor TID) to TID 74 (as the donee TID), per the below estimated annual payments:

	TID 48	Remaining Project Costs to Recover from TID 48	New Project Costs to Recover from TID 48	TID 74
Costs to be Recovered:		\$38,706,646	\$7,452,445	\$11,750,950
Cash Reserves:	\$31,108,237	\$31,108,237		
Donations from TID 48 to TID 74:				
2024	\$7,457,613			\$7,457,613
2025	\$7,542,706	\$3,249,369		\$4,293,337
2026	\$7,628,650	\$4,349,040	\$3,279,610	
2027	\$7,715,453		\$4,172,835	
<b>TOTAL:</b>	<b>\$61,452,657</b>	<b>\$38,706,646</b>	<b>\$7,452,445</b>	<b>\$11,750,950</b>

Calculations of remaining amounts to be recovered in the TID 48 District and TID 74 are attached as **Exhibits A and B**.

TID 48 is able to make donations to TID 74 because the following conditions have been met:

- TID 48 has not yet terminated (its statutory termination date is 2029) and the City of Milwaukee’s Redevelopment Authority created both TID 48 and TID 74 per Wis. Stat. 66.1105 (6)(f)1.
- The donor TID 48 and the recipient/donee TID 74 have the same overlying taxing jurisdictions per Wis. Stat. 66.1105 (6)(f)1.a.
- The Joint Review Board will have had to have approved the donations (allocation of tax increments) per Wis. Stat. 66.1105 (6)(f)1.b.
- The donations from TID 48 to TID 74 (the allocations of tax increments) that will be made hereunder are allowable under Wis. Stat. 66.1105(6)(f)2.b. because the recipient/donee TID 74 was created upon a finding, contained in City Common Council Resolution No. 090325, that not less than 50% by area of the real property within TID 74 was in need of rehabilitation.
- Allocations of positive tax increments (donations) from TID 48 cannot, and will not, be made until and unless TID 48 has first satisfied all of its current year debt service and project cost obligations per Wis. Stat. 66.1105 (6)(f)3. TID 48 has satisfied all of its current year debt service and project cost obligations.
- The City will not request or receive under Wis. Stat. 66.1105 (7)(am)2. an extension for the life of the donor TID 48 per Wis. Stat. 66.1105 (6)(f)4.

**II. Plan Proposals**

**Sub-Section B. “Compliance with Statutory Requirements”, is amended as follows:**

The sub-section titled “**Detailed List of Estimated Project Costs**” is amended to add the following to “Table A, Park East TID (No. 48) Projects” under “a. Capital Costs:”

**Table A**  
Park East TID (No. 48) Projects

<b>City Projects (Amendment No. 6)</b>	<b>Totals</b>
North Water Street	\$1,900,000
West Kilbourn Avenue	\$1,300,000
Vel R. Phillips Plaza	\$1,500,000
Red Arrow Park	\$500,000
City Hall Square	\$50,000
Contingency	\$500,000
<b>TOTAL AMENDMENT NO. 6</b>	<b>\$5,750,000</b>

The sub-section titled “**Detailed List of Estimated Project Costs**”, “Table B, List of Estimated Project Costs” under “c. Financing Costs” is deleted and restated with the following table:

**Table B**  
List of Estimated Project Costs

	<b>ORIGINAL PROJECT PLAN, AMENDMENTS 1, 2, 3, 4 &amp; 5</b>	
<b>A</b>	<b><u>Capital Costs: To Date</u></b>	\$61,298,265
<b>B</b>	<b><u>Other Costs:</u></b> <b>To Date:</b> Administrative, professional, organizational, legal and job training costs	\$3,257,147
	Amendment No. 6 Administrative Costs	\$250,000
	Donations to TID 74 (Amendment No. 6)	\$11,750,950
<b>C</b>	<b><u>Estimated Future Costs: Amendment No. 6</u></b>	\$5,750,000
	<b>TOTAL ESTIMATED PROJECT COSTS, EXCLUDING FINANCING</b>	\$82,306,362
<b>D</b>	<b><u>Financing</u></b>	\$30,094,797
	<b>TOTAL ESTIMATED PROJECT COSTS, INCLUDING FINANCING</b>	\$112,401,159

The sub-section titled, “**Description of Timing and Methods of Financing**” is amended to delete “Table C, Estimated Timing of Project Costs” under “a. Estimated Timing of Project and Financing Costs,” and replace it with the following:

All Amendment 6 expenditures are expected to be incurred in 2024 -2027.

The sub-section entitled, “**Economic Feasibility Study**” is deleted and restated as follows:

Please see the TID 48 Amendment No. 6 Feasibility Analysis, attached. Based on the forecast, following the expenditure of the additional funds for public infrastructure and donations, the District is estimated to close-out in 2027, which is before the statutory termination date of the District of 2029. As a result, the District is determined to be feasible.

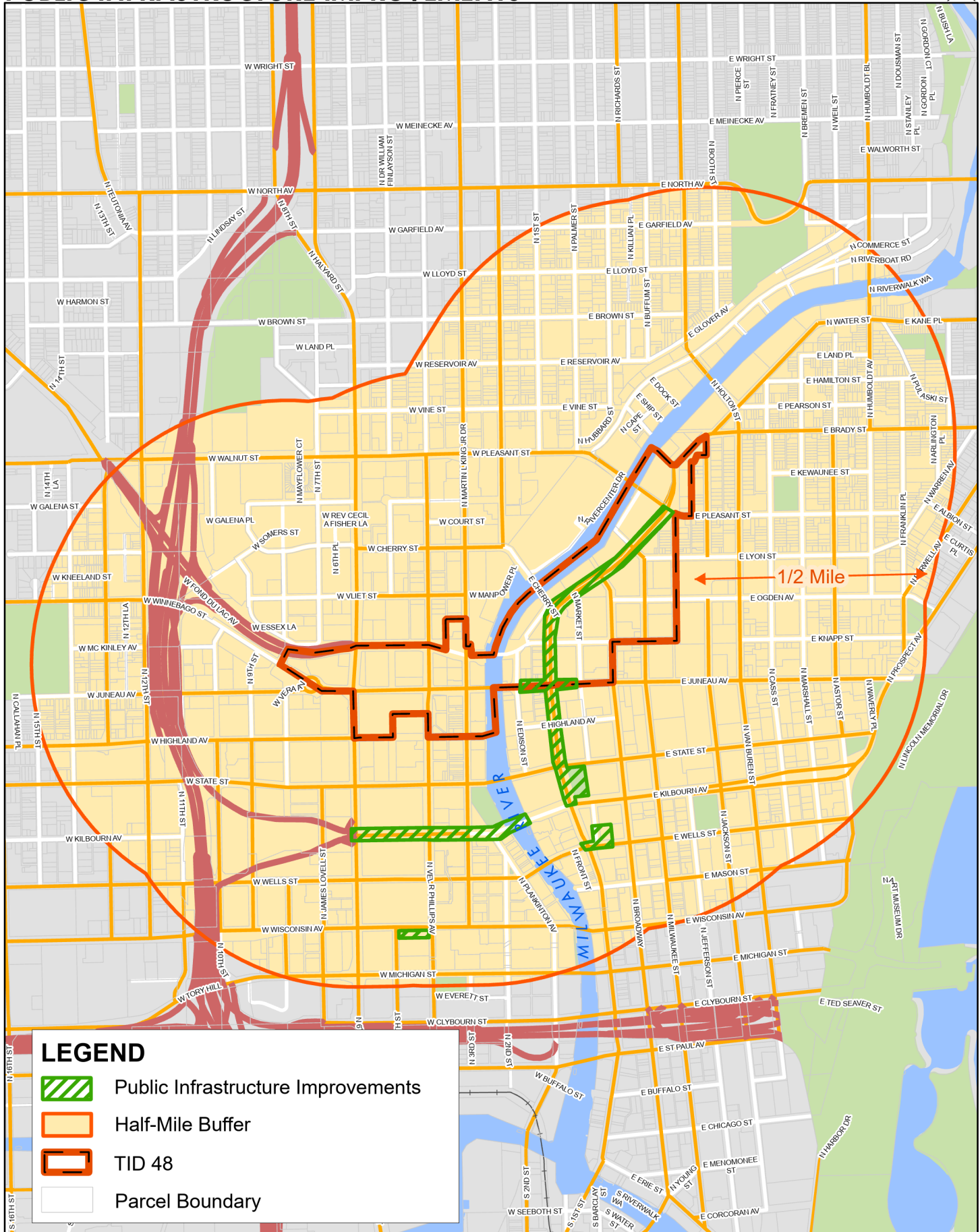
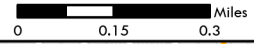
**III. Appendix**

The TID 48 Amendment No. 6 Feasibility Analysis, attached, is added.





**Opinion of City Attorney letter for Amendment No. 6 to TID 48 is attached.**

# TID 48 (PARK EAST) AMENDMENT NO. 6 PUBLIC INFRASTRUCTURE IMPROVEMENTS

Prepared by Dept of City Development Planning Division, 11/28/2023  
Source: City of Milwaukee Information Technology Management Division



**LEGEND**

-  Public Infrastructure Improvements
-  Half-Mile Buffer
-  TID 48
-  Parcel Boundary

<b>Exhibit A: Breakeven Analysis for TID 48 Park East</b>	
Life-to-date 12-31-22 project expenditures	\$ 45,829,496
Interest payments through December 31, 2022	19,487,205
Remaining encumbrance	-
Remaining appropriation	603,690
Projected future expenses	26,750,000
Add bond interest costs:	
Scheduled 2022 to maturity	1,161,525
Estimated interest on future borrowings	6,475,484
Future donations to other TIDs	11,750,950
Total project costs	112,058,350
Life-to-date 12-31-22 project revenues	(17,321,984)
Bond proceeds in excess of principal debt service payments	(16,385)
Net project costs to be recovered through tax increments	94,719,981
Tax increments levied:	
2003	11,357
2004	60,277
2005	132,205
2006	249,573
2007	336,623
2008	608,838
2009	835,326
2010	1,078,017
2011	1,377,586
2012	2,016,750
2013	3,622,452
2014	3,669,449
2015	4,300,125
2016	5,435,846
2017	6,212,312
2018	7,239,113
2019	7,971,631
2020	9,004,318
2021	8,545,486
2022	7,373,363
Total tax increments levied	70,080,647
Remaining costs to recover	24,639,333
Remaining recovery years	7



<b>Exhibit B: Calculation of Remaining Amount to be Recovered in TID 74</b>	
Life-to-date 12-31-22 project expenditures	\$ 16,753,085
Interest payments through December 31, 2022	6,607,096
Remaining appropriation	-
Add bond interest costs:	
Scheduled 2022 to maturity	845,927
Carrying costs	44,900
Estimated future capitalized interest	-
Total project costs	24,251,008
Life-to-date 12-31-22 project revenues	(105,111)
Bond proceeds in excess of principal debt service payments	-
Net project costs to be recovered through tax increments	24,145,897
Tax increments levied:	
2009	-
2010	-
2011	-
2012	-
2013	-
2014	-
2015	-
2016	-
2017	-
2018	-
2019	-
2020	-
2021	-
2022	216,288
Total tax increments levied	216,288
Amount to be recovered before donations	23,929,608
Donations from TID 46	(1,256,531)
Donations from TID 49	(3,141,965)
Donations from TID 60	(570,493)
Amount to be recovered after donations	18,960,618
Projected Donations from TID 42 through 2024	(1,823,951)
Projected Donations from TID 46 through 2024	(1,719,696)
Projected Donations from TID 49 through 2024	(3,117,732)
Projected Donations from TID 60 through 2024	(548,289)
Remaining costs to recover	\$ 11,750,950
Remaining recovery years	15

**TID 48 Amendment No. 6 Feasibility Analysis**

Year No.	Assessment Year	Budget Year	Base Value	Projected Value	TID		Revenue (Loan pmts, etc)	Debt Service			Cash flow	Cum. Cash Flow	After reserving	TID Payoff
					Incremental Value	Increment		Current	Amendmnt 5	Future (Amend 6)			TID 74	
1	2002	2003		27,727,300			1,371	(14,449)			(13,078)	(13,078)	(112,399,788)	No
2	2003	2004	27,727,300	28,157,400	430,100	11,357	1,892	(72,080)			(58,831)	(71,909)	(112,386,539)	No
3	2004	2005	27,727,300	30,040,300	2,313,000	60,277	771	(140,335)			(79,287)	(151,196)	(112,325,491)	No
4	2005	2006	27,727,300	33,143,400	5,416,100	132,205	4,275	(463,419)			(326,939)	(478,135)	(112,189,011)	No
5	2006	2007	45,325,600	56,650,500	11,324,900	249,573	6,722	(915,405)			(659,110)	(1,137,245)	(111,932,716)	No
6	2007	2008	45,325,600	60,313,000	14,987,400	336,623	5,917	(963,331)			(620,791)	(1,758,036)	(111,590,176)	No
7	2008	2009	45,325,600	70,708,700	25,383,100	608,838	144,315	(1,412,584)			(659,431)	(2,417,467)	(110,837,023)	No
8	2009	2010	45,325,600	78,112,500	32,786,900	835,326	4,000	(1,458,304)			(618,978)	(3,036,445)	(109,997,697)	No
9	2010	2011	45,325,600	85,558,100	40,232,500	1,078,017	114,291	(1,528,011)			(335,703)	(3,372,148)	(108,805,389)	No
10	2011	2012	45,325,600	93,658,800	48,333,200	1,377,586	15,601	(1,788,550)			(395,363)	(3,767,511)	(107,412,202)	No
11	2012	2013	45,325,600	111,627,300	66,301,700	2,016,750	2,962,472	(2,174,304)			2,804,918	(962,593)	(102,432,980)	No
12	2013	2014	45,325,600	161,816,100	116,490,500	3,622,452	1,245,071	(2,849,595)			2,017,928	1,055,335	(97,565,457)	No
13	2014	2015	45,325,600	165,938,200	120,612,600	3,669,449	4,802,738	(2,444,262)			6,027,925	7,083,260	(89,093,270)	No
14	2015	2016	45,325,600	186,119,600	140,794,000	4,300,125	2,531,333	(2,660,289)			4,171,169	11,254,430	(82,261,811)	No
15	2016	2017	45,325,600	229,929,800	184,604,200	5,435,846	498,289	(4,261,802)			1,672,333	12,926,762	(76,327,676)	No
16	2017	2018	45,325,600	255,715,400	210,389,800	6,212,312	748,986	(4,289,658)			2,671,640	15,598,402	(69,366,379)	No
17	2018	2019	45,325,600	305,195,700	259,870,100	7,239,113	381,554	(4,520,347)			3,100,320	18,698,722	(61,745,712)	No
18	2019	2020	45,325,600	334,279,000	288,953,400	7,971,631	611,351	(4,670,037)			3,912,945	22,611,667	(53,162,729)	No
19	2020	2021	45,325,600	365,538,900	320,213,300	9,004,318	540,250	(4,597,866)			4,946,702	27,558,369	(43,618,161)	No
20	2021	2022	45,325,600	383,837,200	338,511,600	8,545,486	900,508	(10,414,304)			(968,310)	26,590,059	(34,172,167)	No
21	2022	2023	45,325,600	363,102,800	317,777,200	7,373,362		(2,855,184)			4,518,178	31,108,237	(26,798,805)	No
22	2023	2024	45,325,600	366,733,828	321,408,228	7,457,613		(1,623,692)	(4,295,506)	(1,242,074)	(7,457,613)	(7,161,272)	(19,341,192)	No
23	2024	2025	45,325,600	370,401,166	325,075,566	7,542,706		(1,766,175)	(4,295,506)	(1,242,074)	(4,293,337)	(4,054,387)	(11,798,486)	No
24	2025	2026	45,325,600	374,105,178	328,779,578	7,628,650		(1,770,942)	(4,295,506)	(1,242,074)		320,127	(4,169,837)	No
25	2026	2027	45,325,600	377,846,230	332,520,630	7,715,453		(1,778,794)	(4,295,506)	(1,242,074)		399,078	3,545,616	YES
26	2027	2028	45,325,600	381,624,692	336,299,092	7,803,124		(1,777,329)	(4,295,506)	(1,242,074)		488,215	11,348,740	YES
27	2028	2029	45,325,600	385,440,939	340,115,339	7,891,672		(4,213,676)	(4,295,506)	(1,242,074)		(1,859,584)	19,240,413	YES
							116,119,864	15,521,707	(67,424,725)	(25,773,039)	(7,452,445)	(11,750,950)	19,240,413	

Annual appreciation	1.010
Int. rate	6.25%
	Current
Tax rate	2.3203%
Issuance Costs	60,000
Project Costs	6,000,000