

**Amendment No. 3
to
Project Plan
for
Tax Incremental Financing District No. 70
("735 N Water Street")**

City of Milwaukee

Public Hearing Held:

Redevelopment Authority Adopted:

Common Council Adopted:

Joint Review Board Approval:

**AMENDMENT NO. 3 to the PROJECT PLAN for
TAX INCREMENTAL FINANCING DISTRICT NUMBER 70
CITY OF MILWAUKEE
(735 N Water Street)**

Amendments to the Project Plan:

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

I. DESCRIPTION OF PROJECT

Sub-Section A. Introduction is deleted and restated as follows:

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 financing district. Section 66.1105(2)(f)1.n., Wisconsin Statutes, permits amendment to fund projects located outside, but within one-half mile of the District's boundary.

The Common Council created Tax Incremental District Number 70 in 2007 for the purpose of facilitating the redevelopment efforts of the buildings located at 731 - 735 North Water Street and the property's associated Riverwalk along the Milwaukee River.

The District was amended in 2010 to modify the scope of the private investment as it relates to the end use of the building at 731 N Water Street. It was originally anticipated that the building at 731 North Water Street would be converted to a parking garage and seven luxury condominiums. Given a significant change in the market, the proposed development program was modified to include a conversion of the building into a Gold's Gym and retail, and office.

In 2021, the District was amended to provide funds necessary to repair two areas of dockwall where significant breaches had been identified. Given the rising water levels on the Milwaukee River, these fractures had the potential to cause serious damage to adjacent infrastructure and were in need of immediate repair. Amendment No. 2 provided \$250,000 in funds to the Department of Public Works to complete the emergency repairs. The dockwalls, located at Mason Street and Wisconsin Avenue are both within one half-mile of the District's boundary.

The Downtown Riverwalk Business Improvement District No. 15 ("BID 15") is undertaking a significant Riverwalk Improvement project to address infrastructure issues related to the aging conditions of the concrete and metal railings along the 25 + year old system. The City is the owner of certain segments of Riverwalk located between Cherry and Clybourn Streets, within the BID boundaries. The third amendment to the District would provide \$175,000 for the proposed infrastructure work located on these city-owned segments of the system.

A 210 linear foot public Riverwalk connection, along with 195 linear feet of dockwall will be constructed in association with a residential development at 333 North Water Street. The City of Milwaukee participates in Riverwalk and dockwall funding and will contribute a cash grant to the developer of approximately \$903,000 toward the eligible Riverwalk and dockwall costs per the city's Riverwalk funding policy.

TID 70 has incurred project costs, to date, of \$3,670,347 for gap financing, Riverwalk improvements and dockwall repairs. In summary, Amendment No. 3 will provide an additional \$1,078,000 for the purpose of funding public infrastructure improvements on the Milwaukee Riverwalk System.

This amendment is submitted in fulfillment of the requirements of section 66.1105, Wisconsin Statutes.

Section I. D. “Proposed Public Action” is amended by adding the following:

The District will fund infrastructure improvements on city-owned segments of Milwaukee Riverwalk System.

The District will provide a cash grant to the developer for eligible Riverwalk and dockwall costs at 333 North Water Street.

Section II.B.1.a. is amended by adding the following:

- 4. Infrastructure improvements on city-owned segments of the Milwaukee Riverwalk System
- 5. A 210 linear foot Riverwalk connection and 195 linear feet of dockwall at 333 North Water Street.

Section II.B.2. Table A is deleted and restated as follows:

A	<u>Capital</u>	
	1) Gap Financing - developer financed	\$ 1,774,915
	2) Riverwalk Improvements	\$ 1,628,096
	3) Dockwall repairs	\$ 250,000
	4) Infrastructure Improvements to Riverwalk	\$ 175,000
	5) Riverwalk & Dockwall Improvements 333 N Water Street	\$ 903,000
B	<u>Other:</u> Administrative, professional, organizational and legal	\$ 123,135
C	<u>Contingency</u> Total Estimated Project Costs, excluding financing	\$ 4,854,146
D	<u>Financing</u> Interest payment on bonds (incl. capitalized interest)	\$ 462,451

Section II.B.3 “Description of Timing and Methods of Financing” is amended by adding the following:

- a. Estimated Timing of Project and Financing Costs

Year	Estimated Project Costs	Cumulative Total
2022	\$ 175,000	\$ 175,000
2023	\$ 903,000	\$ 1,078,000

b. Estimated Method of Financing Project Costs

The infrastructure will be funded by the General Obligation Bonds.

Section II.B.4. “Economic Feasibility Study” is deleted and restated as follows:

The Economic Feasibility Study for this District, prepared by the Department of City Development and titled TID 70 Economic Feasibility Analysis, dated May 26, 2022, is attached hereto.

Based upon the anticipated tax incremental revenue to be generated by this project, the District is financially feasible and has recovered all project costs by the year 2019 (TID year 13).

Section II.B.6. “Map Showing Proposed Uses and Improvements” is deleted and restated as follows:

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

Section II.B.8. “List of Estimated Non-Project Costs.” is deleted and restated as follows:

There are no non-project costs.

Section II.B.11. “Opinion of the City Attorney” is deleted and restated as follows:

Please refer to Exhibit 4.

Add to section III. EXHIBITS:

1. Feasibility Study (attached)
2. Map No. 3 “Proposed Uses and Improvements”
3. Opinion of the City Attorney

TID 70 735 N Water Amendment #3

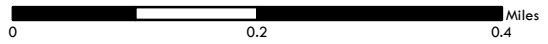
No.	Assessment Year	Budget Year	Base Value	Projected Value	TID Incremental Value	Increment	Misc. Revenue	Existing Debt	New Debt	Total		After reserving for remaining debt Surplus/(deficit)	TID Payoff
										Cash flow	Cum. Cash Flow		
1	2007	2008	14,904,700							-	-	(4,337,319)	
2	2008	2009	14,904,700	14,690,100	(214,600)	-				-	-	(4,337,319)	No
3	2009	2010	14,904,700	14,602,000	(302,700)	-	21,575			21,575	21,575	(4,315,744)	No
4	2010	2011	14,904,700	15,413,300	508,600	13,628	20,308	(1,948)		31,988	53,563	(4,281,808)	No
5	2011	2012	14,904,700	27,140,400	12,235,700	348,740	60,046	(39,156)		369,630	423,193	(3,873,022)	No
6	2012	2013	14,904,700	26,215,800	11,311,100	344,058	66,575	(110,582)		300,051	723,244	(3,462,389)	No
7	2013	2014	14,904,700	27,786,900	12,882,200	400,592	53,383	(84,798)		369,177	1,092,421	(3,008,414)	No
8	2014	2015	14,904,700	30,606,100	15,701,400	477,690	73,739	(84,798)		466,631	1,559,052	(2,456,985)	No
9	2015	2016	14,904,700	31,013,900	16,109,200	492,007	92,530	(91,159)		493,378	2,052,430	(1,872,448)	No
10	2016	2017	14,904,700	31,916,900	17,012,200	500,940	102,178	(214,581)		388,537	2,440,967	(1,269,330)	No
11	2017	2018	14,904,700	29,081,500	14,176,800	418,607	154,199	(246,473)		326,333	2,767,300	(696,524)	No
12	2018	2019	14,904,700	29,585,800	14,681,100	408,966	156,466	(242,918)		322,514	3,089,814	(131,092)	No
13	2019	2020	14,904,700	41,906,800	27,002,100	744,933	162,369	(239,865)		667,437	3,757,251	776,210	YES
14	2020	2021	14,904,700	29,271,300	14,366,600	403,985	158,680	(303,664)		259,001	4,016,252	1,338,875	YES
15	2021	2022	14,904,700	38,126,900	23,222,200	586,228		(228,995)		357,233	4,373,485	1,925,103	YES
16	2022	2023	14,904,700	38,508,169	23,603,469	595,752		(162,896)	(149,204)	283,651	4,657,137	2,520,855	YES
17	2023	2024	14,904,700	38,893,251	23,988,551	605,471		(124,138)	(149,204)	332,129	4,989,265	3,126,326	YES
18	2024	2025	14,904,700	39,282,183	24,377,483	615,288		(123,653)	(149,204)	342,430	5,331,696	3,741,614	YES
19	2025	2026	14,904,700	39,675,005	24,770,305	625,202		(122,925)	(149,204)	353,073	5,684,769	4,366,816	YES
20	2026	2027	14,904,700	40,071,755	25,167,055	635,216		(124,319)	(149,204)	361,693	6,046,462	5,002,033	YES
21	2027	2028	14,904,700	40,472,473	25,567,773	645,331			(149,204)	496,126	6,542,589	5,647,363	YES
22	2028	2029	14,904,700	40,877,197	25,972,497	655,546			(149,204)	506,342	7,048,930	6,302,909	YES
23	2029	2030	14,904,700	41,285,969	26,381,269	665,863			(149,204)	516,659	7,565,589	6,968,772	YES
24	2030	2031	14,904,700	41,698,829	26,794,129	676,284			(149,204)	527,080	8,092,669	7,645,056	YES
25	2031	2032	14,904,700	42,115,817	27,211,117	686,809			(149,204)	537,604	8,630,273	8,331,865	YES
26	2032	2033	14,904,700	42,536,975	27,632,275	697,439			(149,204)	548,234	9,178,508	9,029,303	YES
27	2033	2034	14,904,700	42,962,345	28,057,645	708,175			(149,204)	558,971	9,737,478	9,737,478	YES
							12,952,749	1,122,048	(2,546,868)	(1,790,451)	9,737,478		

Annual appreciation	1.010
Interest Rate	4.75%
Base Value	14,904,700
Property Tax rate	2.524%
Issuance Costs	13,280
Project Costs	1,328,000

TID 70: 731 - 735 N WATER STREET, AMENDED MAP NO. 3

Prepared by Dept of City Development Planning
Division, 6/7/2022 Source: City of Milwaukee
Information Technology Management Division

Riverwalk Improvements



- Riverwalk Improvement
- Highland Ave Footbridge
- TID 70
- TID 70 Half Mile Buffer
- Parcel Boundary

