



Bill Christianson, CPFO
Comptroller

Charles Roedel, CPA, CIA
Deputy Comptroller

Toni Biscobing
Special Deputy Comptroller

Richard Bare, CPA
Special Deputy Comptroller

January 7, 2025

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

RE: File 241347, TID 84 – West McKinley and West Juneau
Amendment #2

Dear Committee Members:

File 241347 would approve Amendment 1 Tax Incremental District 84, West McKinley and West Juneau (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, and has had discussions with Department of City Development (DCD) and City Attorney's Office staff. This analysis is based on the information provided.

TID Background

The District was created in 2015 to provide a \$20,000,000 contribution to the Bucks Arena (now known as the Fiserv Forum). The District provided a \$12,000,000 grant to the public plaza adjacent to the Fiserv Forum and an \$8,000,000 developer-financed grant towards the new parking structure built to the north of the Fiserv Forum. Amendment No. 1 to the District assisted the redevelopment of portions of the former Milwaukee Journal Sentinel complex into apartments and student housing for MATC.

This Amendment would provide up to \$7,000,000 to fund public infrastructure projects, including but not limited to a reconstruction of West Vliet Street and the creation of a public plaza on West Highland Avenue. \$1,000,000 would also be provided for a construction contingency. Additionally, this amendment would provide \$400,000 for the administration of the District.

The table on the following page shows a summary of project budget amendments and funding increases for the District.

TID 84 Project Budget Revisions		
File No.	Description	Amount
150383	Original Project Plan – authorized a \$12,000,000 grant for the public plaza adjacent to the new arena and an \$8,000,000 grant to the Milwaukee Bucks.	\$ 20,000,000
200378	Amendment #1 - authorized an additional \$1,000,000 in developer grants for redevelopment of the former Milwaukee Journal Sentinel complex and \$75,000 in administration.	1,075,000
241347	Amendment #2 – would authorize an additional \$7,000,000 for public infrastructure projects, \$1,000,000 for construction contingency, and \$400,000 in administration.	\$8,400,000
Total Budget Including File No. 241347		\$ 29,475,000

This amendment would also remove four parcels from the District’s existing boundary. These parcels encompass the existing parking structure that was financed by the District and the Bucks. By removing the parking structure from the District boundaries, revenues derived from the parking structure would not be required to go towards repaying the District’s costs.

It is important to note that the Bucks would have to approve this amendment, as the District still must repay the Bucks for their initial contribution to the parking structure. Removing the parking structure revenues would delay the repayment for the Bucks, and they must agree to that stipulation.

Is This Project Likely to Be Successful?

DCD’s feasibility study, which uses a constant 2.121% property tax rate and a 1% inflation rate over the life of the District, forecasts the District will fully recover the \$8,400,000 plus interest, in 2031 after receipt of the 2030 levy. 2031 is year 16 of the District’s maximum life of 27 years. Given the strong increment revenue already existing within the District, this \$8,400,000 proposed amendment appears feasible based on the Comptroller’s Office review, even after removing revenues from the parking structure.

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

This proposed amendment would allow public infrastructure improvements to be completed in the District. Without approval of this amendment, the City would have to find an alternative funding source to complete these projects.

Conclusion

Based on the feasibility study, it appears that the District can support the debt service related to current and proposed expenditures related to this amendment. Should you have any questions regarding this letter, please contact Joshua Benson at 2319.

Sincerely,

A handwritten signature in black ink that reads "Bill Christianson". The signature is written in a cursive style with a large, prominent "B" and "C".

Bill Christianson,
Comptroller

BC:JB

CC: Alyssa Remington, Lori Lutzka