



Department of City Development  
City Plan Commission  
Redevelopment Authority of the City of Milwaukee  
Neighborhood Improvement Development Corporation

Lafayette Crump  
Commissioner

Vanessa Koster  
Deputy Commissioner

July 6, 2023

Members of the Joint Review Board for Milwaukee Tax Incremental Finance Districts:

Nick Kovac, City of Milwaukee; Chair  
Celia Benton, Milwaukee County  
Jeffrey Hollow, Milwaukee Area Technical College  
Martha Kreitzman, Milwaukee Public Schools  
Frances Hardrick, Public Member

Honorable Joint Review Board Members:

Re: 2022 Annual Report of Milwaukee's Tax Incremental Finance Districts

Enclosed is the Annual Report of Milwaukee's Tax Incremental Finance Districts (TIDs) for the year ended December 31, 2022. The report covers project accomplishments for each district, a summary of costs and revenues, and an estimate of when the district is likely to recover its project costs. The 2022 report also includes additional financial information; debt issuance interest costs, and any miscellaneous revenue generated by district activity (e.g., land sales, rents, loan repayments).

Given the extent of the report, this information may be accessed for each district at:

<http://city.milwaukee.gov/TaxIncrementalFinancing.htm>

The Common Council adopted 18 resolutions regarding Tax Increment District activity in 2022. Five resolutions created new Tax Increment Districts:

- File #220300 created TID #109: Michigan Street Commons. The district is developer financed in the amount of \$1,800,000 cash grant to the developer Bear Development, comprised of two parcels totaling 33,832 square feet located on the southwest corner of North 9th Street and West Michigan Street in Milwaukee's downtown neighborhood. The property is currently vacant. The Developer is proposing a redevelopment plan for the property that includes the construction of a multifamily apartment building with 99 housing units, all affordable to families earning under 60% of Area Median Income. The land adjacent to the parcel (not part of TID #109) is proposed for future multi-phase development including a soccer stadium, hotel, entertainment venue and commercial space. The TID also has approved \$142,500 for administration costs and \$1,291,300 in interest costs.



- File #221108 created TID #110: Vel R. Phillips and Michigan. The district is developer financed in the amount of \$7,000,000 cash grant (less \$10,000 in annual expenses) to Fiserv Solutions, LLC to invest at least \$37,000,000 to renovate the building at 331 West Wisconsin Avenue/640 North Vel Phillips Avenue into a new global headquarters for at least 780 employees. Fiserv, Inc. is a financial technology and financial services firm founded in 1984, currently headquartered in Brookfield, Wisconsin. In 2022, Fiserv, Inc. had over 44,000 employees worldwide, over \$16B in revenue and was #227 on the Fortune 500 list. Fiserv, Inc. expects continued growth, and this Project will help meet their future space needs and attract and retain employees. The property comprises approximately 300,000 SF of office and retail space, as well as 74 apartment units. The building was constructed in 1895 and has received many additions and alterations since. For many years, the building was home to a Boston Store department store and the Bon-Ton headquarters, until they declared bankruptcy in 2018. The office and retail space have been largely unoccupied since 2018. Recently, the building was renamed Hub640 and has attracted several smaller office tenants, in addition to a 2022 announcement that Kohl's plans to open a department store within the building. In addition to the \$7,000,000 developer financed grant, the City is also proposing to provide up to \$4,600,000 in General Obligation borrowing supported from the District to fund public infrastructure improvements within the District and within a one half-mile radius of the District boundary. The project costs for the TID will also fund \$300,000 for administration and \$5,950,000 in interest costs.
- File #221109 created TID #111: East North Avenue. The district funded \$3,800,000 in public infrastructure improvements within the District and within a one half-mile radius of the District boundary. The District includes a portion of the East North Avenue corridor in the City of Milwaukee, which is a popular entertainment district, well known for its restaurants, bars, the Oriental Theater and other local businesses. The corridor has high pedestrian traffic and the North/Farwell intersection had the highest pedestrian count of any intersection analyzed in the City's Complete Streets Health and Equity Report in 2020. However, the City's 2019 Pedestrian Plan lists the corridor as a top crash corridor, and the North/Farwell intersection is listed in the top 10 of the pedestrian high injury network. In 2009, the Northeast Side Area Plan identified the North Avenue Corridor as a catalytic project and proposed traffic calming and pedestrian enhancements along the corridor. The plan also suggested converting Ivanhoe Place into a "convertible plaza" and enhancing the streetscape of that area. In addition to the project costs the TID will also fund \$100,000 towards commercial property renovation and \$200,000 in administrative costs.
- File #221127 created TID #113: Edison School. The district is developer financed in the amount of \$875,000 cash grant to the team of Gorman and Company, Cupid

Development and Lutheran Social Services to support affordable housing units. The units are part of a total project costs estimate of \$27.6 million. The Edison School project is an affordable housing project that will include the historic renovation and adaptive reuse of the former Edison Middle School located at 5372 North 37th Street. The Project will include 63 housing units for the elderly located in the former school building and the new construction of 12 townhomes for families on the site. Units will be targeted across a range of incomes (30%-60% of Area Median Income) and contain a mix of one, two, and three-bedroom units. The property has been vacant since 2008 and was declared surplus by Milwaukee Public Schools in 2017. In addition to the project costs the TID will also fund \$60,000 for administration and \$853,200 in interest costs.

- File #221126 created TID #114: Five Points. The district is developer financed in the amount of \$737,000 cash grant to the Martin Luther King Economic Development Corporation and KG Development to support affordable housing units. The units are part of a total project costs estimate \$16.4 million. The Five Points project is a mixed-use affordable housing project that will include the new construction of a 55-unit apartment building and 7,500 square feet of ground square commercial space. The Project will include a mix of one, two, and three-bedroom units targeted across a range of income affordability. The Project is being constructed on five vacant City and Redevelopment Authority owned lots located at 3317-3349 North Martin Luther King Jr. Drive and 456 West Concordia Avenue. In addition to the project costs the TID will also fund \$60,000 for administration and \$689,800 in interest costs.

The City of Milwaukee dissolved three districts in 2022: TID #52: Sigma-Aldrich Corp. (file #211735), TID #58: 20<sup>th</sup> & Walnut (file #211736), and TID #65: 20<sup>th</sup> & Brown (file #211737) that returned \$19.4 million of tax base to the tax rolls of Milwaukee's five taxing jurisdictions.

Per City of Milwaukee Ordinance 304-96, TIDs may also be authorized for a one-year extension to the term and authorize the use of the resulting tax incremental revenue to benefit affordable housing and improve housing stock in the City of Milwaukee. The additional incremental tax revenue is represented in the City's 2023 Capital Budget for extensions approved in 2022. One TID was extended in 2022: TID #52: Sigma-Aldrich Corp. (file #211434) that provided approximately \$450,000 for this purpose.

Per City of Milwaukee Ordinance 304-95-2, the project plans of TIDs may be amended to fund street-paving projects within one-half mile of the district boundary, providing there are sufficient funds to pay off the TID debt first and the TID is still within its allowable expenditure period. These street-paving projects have previously focused on repaving but more recently has included infrastructure to address traffic safety issues. In addition to

paving projects may also include construction of speed humps, traffic circles, raised crosswalks, diverters, and curb extensions.

Other district project plan amendments that occur regularly may be for unanticipated project cost increases, increasing scopes of projects, or donations to other under-performing TIDs.

Nine TID plans were amended in 2022 for all of these purposes.

Amendment No. 1 to TID #77: Hellermann Tyton (file #221110) to fund the repaving of eight local street segments and related administrative expenses.

Amendment No. 3 to TID #49: Cathedral Place (file 211608) to fund the design and construction of public infrastructure improvements on North Van Buren Street between East Michigan Street and East Brady Street, as well as on East Kilbourn Avenue between North Jackson Street and North Van Buren Street and administrative expenses.

Amendment No. 3 to TID #79: North Water Street Riverwalk (file #211612) to partially fund the design and construction of public infrastructure improvements on North Van Buren Street between East Michigan Street and East Brady Street, as well as East Fratney and Pierce Streets along the Milwaukee River. The project includes new pavement, traffic calming elements, street scaping, and bicycle, transit, and pedestrian amenities to improve safety. The amendment also provides funding for Riverwalk extension and dockwall support at 1887 North Water Street and cost adjustments for a previously approved Riverwalk, Dockwall and Public Access project at 1771 North Water Street, along with administrative costs associated with all of the projects under this amendment.

Amendment No. 5 to TID #41: Time Warner Riverwalk (file #220305) to fund the design and construction of multiple public infrastructure improvement and street amenities that will improve pedestrian safety along with funding two strategies from the Anti-Displacement Plan that will support new homeownership and preserve affordable housing. The amendment also includes funds for administrative expenses.

Amendment No. 1 to TID #68: Fifth Ward – First Place (file #220071) to fund the increased costs of constructing Riverwalk improvements at 234 South Water Street.

Amendment No. 3 to TID #70: 735 North Water Street (file #220302) to fund infrastructure improvements on city-owned segments of the Milwaukee Riverwalk System and to construct a 210 linear foot Riverwalk connection and 195 linear feet of dockwall at 333 North Water Street.

Amendment No. 6 to TID #56: Erie Jefferson (file #220634) provides funding for the extension of Corcoran Street and improvements to South Harbor Drive along with related administrative expenses.

Amendment No. 3 to TID #42: Capitol Court/Midtown Center (file #211609) provides funding for the infrastructure construction of traffic calming measures, paving, and pedestrian improvements and amenities on various streets. The amendment also provides six years of donations (2022-2027) to TID #74: North 35<sup>th</sup> Street and West Capitol Drive to recover costs and repay existing debt.

Amendment No. 2 to TID #54: Stadium Business Park (file #211611) provides funding for the infrastructure construction of traffic calming measures and safety improvements in the nearby Burnham Park neighborhood. The amendment also provides five years of donations (2026-2030) to TID #74: North 35<sup>th</sup> Street and West Capitol Drive to recover costs and repay existing debt.

By the end of 2022 total incremental property value in all districts was approximately \$2.5 billion. This represents 6.37% of the City's total property value in 2022.

Project costs remaining to be recovered through future tax incremental revenue, including debt service on outstanding bonds, or bonds to be sold, are now estimated at \$122.2 million. This does not include costs advanced by businesses or developers through developer financed districts.

A summary of districts estimated to recover their costs within the next two years is listed in the table attached to this letter. This table reflects the department's best estimates, but is subject to audit and, in some cases, may be impacted by the issuance of future debt to finance project costs already incurred. It is expected that all of these districts will be evaluated for paving and housing assistance amendments, adding up to two years to the estimated dates of closing.

If you have any questions related to this report, or the status of any Milwaukee Tax Incremental District, please contact David Schroeder of my staff at (414) 286-5933.

Sincerely,

A handwritten signature in black ink, appearing to read 'Lafayette Crump', with a large, stylized loop at the end.

Lafayette Crump  
Commissioner

**Table A:**  
**Districts Estimated to Recover Project Costs within**  
**2022-2023 (Levy Year)**

District No.	District Name	Projected Year Project Costs are Recovered [1] (Levy Year)	2022 Incremental Property Value (\$ millions)	Comments
37	Grand Avenue	2023	\$86.2	Housing 2024, Close 2024

[1] Projected closing dates exclude possible paving & housing amendments.