

**BUSINESS IMPROVEMENT DISTRICT NO. 15
MILWAUKEE RIVERWALK
2005 OPERATING PLAN**

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I. INTRODUCTION

On March 31, 1994 the Common Council of the City of Milwaukee (the "Common Council") approved the creation of Business Improvement District No. 15 (the "BID") and the initial Operating Plan for the BID. The objective of the initial Operating Plan was to establish a development scheme and funding mechanism for the construction of a series of riverwalks and related amenities along the Milwaukee River in downtown Milwaukee (the "Riverwalk System"). Subsequent to the creation of the BID, the BID and the City of Milwaukee entered into a Riverwalk Development Agreement dated as of May 23, 1994 (and the parties have subsequently entered into a series of amendments thereto) to further implement the development of the Riverwalk System consistent with the framework established in the initial Operating Plan. (The May 23, 1994 Riverwalk Development Agreement and all amendments thereto are collectively referred to as the "Development Agreement").

Section 66.1109(3)(b), Wisconsin Statutes, requires that a business improvement district board "shall annually consider and make changes to the operating plan.....the board shall then submit the operating plan to the local legislative body for approval." The board of the BID (the "Board") hereby submits this 2005 Operating Plan in fulfillment of its statutory requirement.

This Operating Plan proposes a continuation and expansion of the activities described in the initial BID Operating Plan. Therefore, it incorporates by reference the initial Operating Plan as adopted by the Common Council. In the interest of brevity, this Operating Plan emphasizes the elements which are required by section 66.1109, Wis. Stats., and does not repeat the background information that is contained in the initial Operating Plan.

II. DISTRICT BOUNDARIES

Boundaries of the BID are shown on Exhibit A of this Operating Plan. A listing of the properties included in the BID is provided in Exhibit B.

III. DEVELOPMENT OF PROPOSED OPERATING PLAN

A. Plan Objectives

The objective of the BID is to complete the improvements described in Exhibit C of this Operating Plan. These improvements will increase public access to the Milwaukee River and promote, attract, stimulate and revitalize commerce and industry within the City. In particular, these improvements

will further the City policies identified in the initial Operating Plan for the BID.

B. Proposed Activities

A description of the improvements to be completed by the BID, including both those improvements already commenced or undertaken and those improvements that remain to be completed, is set forth in Exhibit C of this Operating Plan. Much of the work is dependent upon obtaining easements and/or other access rights from owners of property within the BID and upon the City agreeing to finance those portions of the Riverwalk System originally contemplated by the Development Agreement but not completed within the time frame set forth therein. Accordingly, the Board may alter the schedule of the work as it deems necessary or appropriate.

C. Financing Method

The actual and estimated costs for each of the BID's completed and proposed development activities are set forth on Exhibit C of this Operating Plan (the "Development Costs"). The BID and the City will share the Development Costs in accordance with the terms of the Development Agreement. The Board shall have the authority and responsibility to prioritize expenditures and to revise the budget as necessary to match the funds actually available.

The BID's share of the Development Costs will be obtained through the issuance of bonds and/or other sources. These funds will be loaned to the BID and the BID will repay the loan through annual assessments against the assessable properties within the BID. The assessments for Development Costs first commenced in 2000 in accordance with the BID's 2000 Operating Plan and appeared on the property tax bills of the assessable properties within the BID toward the end of 2000. Interest on funds advanced to the BID prior to commencement of the annual assessments for Development Costs has accrued. To the extent that certain Development Costs will be incurred in 2005 or later years, the assessments for such Development Costs will be deferred until completion of the construction to which such Development Costs are attributable. During such period of deferral, interest will accrue. The interest rate charged to the BID is the interest rate paid on the funds raised to finance the loan to the BID. If the City subsequently refinances all or parts of any funds it loans to the BID at a lower interest rate, such interest rate savings shall be passed through to the BID. The proposed terms of the City's loan to the BID, including the

estimated annual payments due the City throughout the life of the loan, were set forth on Appendix F of the initial Operating Plan for the BID and were revised and restated on subsequent Operating Plans. The current repayment schedule that reflects the foregoing is attached to Exhibit D.

The loan from the City to the BID will constitute a long-term contractual obligation of the BID, necessitating the continuous existence of the BID for at least the term of the loan.

In addition to the assessments necessary to repay the funds borrowed by the BID, the BID will incur annual operating expenses for the administration of the BID. The estimated annual operating expenses for 2005 are \$25,000, to pay for accounting, administrative and legal expenses likely to be incurred in connection with the management and administration of the BID.

The Board may also make Improvement Loans or enter into Maintenance Agreements as provided in Article IV.B.1 of this Operating Plan. Any funds so expended for the benefit of specific property owners will be recouped (including any interest allocable thereto) from special assessments against such property owners in the year following expenditure and repaid to the lender.

Pursuant to the 14th Amendment to the Development Agreement, the City and the Board agreed to increase the Development Costs to make certain improvements benefiting the Riverwalk System as a whole. These improvements include a new riverwalk segment linking the BID's Riverwalk System to the riverwalk system being developed by Business Improvement District No. 2 in the Historic Third Ward as well as the installation of a signage program and the construction of other amenities along various parts of the Riverwalk System (collectively, the "Upgrades and Amenities"). The total cost of the Upgrades and Amenities is set forth on Exhibit C. The BID's share of the cost for the Upgrades and Amenities is \$192,500.

The method of assessing the BID's share of the Development Costs, the BID's share of the Upgrades and Amenities, Improvement Loans, costs incurred under Maintenance Agreements and annual operating expenses against properties located within the BID is set forth in Article IV of this Operating Plan. Subsequent revisions to this Operating Plan will specify any additional categories and amounts for operating expenses.

D. Organization of BID Board

Upon creation of the BID, the Mayor appointed members to the Board. The Board's primary responsibility is implementation of this Operating Plan. This requires the Board to negotiate with providers of services and materials to carry out this Operating Plan; to enter into various contracts; to monitor development activity; to periodically revise this Operating Plan; to ensure compliance with the provisions of applicable statutes and regulations; and to make reimbursements for any overpayments of BID assessments.

State law requires that the Board be composed of at least five members and that a majority of the Board members be owners or occupants of property within the BID.

The Board is structured and operates as follows:

1. Board size - Seven.
2. Composition - At least four members shall be owners or occupants of property within the BID. Any nonowner or nonoccupant appointed to the Board shall be a resident of the City of Milwaukee. The Board shall elect its Chairperson from among its members.
3. Term - Appointments to the Board shall be for a period of three years except that initially three members shall be appointed for a period of three years, two members shall be appointed for a period of two years, and two members shall be appointed for a period of one year.
4. Compensation - None.
5. Meetings - All meetings of the Board shall be governed by the Wisconsin Open Meetings Law.
6. Record Keeping - Files and records of the Board's affairs shall be kept pursuant to public records requirements.
7. Staffing - The Board may employ staff and/or contract for staffing services pursuant to this Plan and subsequent modifications thereof.
8. Meetings - The Board shall meet regularly, at least twice each year. The Board shall adopt rules of order (by-laws) to govern the conduct of its meetings.

E. Relationship to the Milwaukee Riverwalk District, Inc.

The BID is a separate entity from the Milwaukee Riverwalk District, Inc., a private, not for profit corporation exempt from taxation under section 501(c)(3) of the Internal Revenue Code, notwithstanding the fact that members, officers and directors of each may be shared. The Milwaukee Riverwalk District, Inc. shall remain a private organization, not subject to the open meeting law, and not subject to the public records law except for its records generated in connection with the Board. The Milwaukee Riverwalk District, Inc. has contracted with the BID to provide services to the BID, in accordance with this Operating Plan.

IV. METHOD OF ASSESSMENT

A. Annual Assessment Rate and Method

The general principle behind the assessment methodology for this BID is that each property should contribute to the BID in proportion to the benefit derived from the BID. After due consideration, it was determined that the following assessment methods will be applied:

1. The annual assessment for repayment of all of the Development Costs other than the Upgrades and Amenities identified in subparagraph 3, below, will be levied against each property within the BID in proportion to the current assessed value of each property for real property tax purposes (thus, the amount of a special assessment against a particular property may change from year to year if that property's assessed value changes relative to other properties within the BID), and subject to the following conditions:

a. For purposes of this subsection 1, there shall be two categories of properties within the BID.

(i) Class 1 Properties. These properties either (i) are not located on the Milwaukee River; or (ii) are located on the Milwaukee River but will not have new riverwalks constructed on their river frontage as part of the BID Operating Plan.

(ii) Class 6 Properties. These properties are located on or near the Milwaukee River and will have new

riverwalks and/or related amenities constructed on their river frontage or directly benefiting their properties as part of the BID Operating Plan.

- b. The minimum annual assessment under this subsection 1 for all properties within the BID shall be as follows:

Calendar year 2004	\$460
2005 through 2009	\$485
2010 through 2014	\$510
2015 through 2019	\$535

- c. The maximum annual assessment under this subsection 1 for Class 1 Properties within the BID shall be as follows:

Calendar year 2004	\$6,500
2005 through 2009	\$6,825
2010 through 2014	\$7,150
2015 through 2019	\$7,425

There is no maximum assessment for Class 6 Properties.

- d. Subject to the minimum and maximum assessments set forth in subparagraphs c and d, above, and adjustments necessitated thereby, Class 1 Properties shall be assessed at approximately 1/6 the rate of Class 6 Properties.

Exhibit B identifies each property included in the BID by category and shows the estimated Development Costs assessment for each property under this subsection.

2. The annual assessment for BID operating expenses will be levied against each property within the BID in proportion to the current assessed value of each property for real property tax purposes (thus, the percentage of annual assessments for operating expenses allocable to a particular property may change from year to year if that property's assessed value changes relative to other properties within the BID). Exhibit B shows the estimated 2005 operating expense assessment for each property within the BID.
3. The annual assessment for the BID's share of the Upgrades and Amenities will be levied against each property in the same manner as the annual assessments for BID operating expenses. Exhibit B shows the estimated 2005 Upgrades and Amenities assessment for each property within the BID.
4. The annual assessments under Maintenance Agreements and Improvement Loans (as such terms are defined in Article IV.B., herein) shall be levied directly against the property benefited by such agreement or loan. The amount of such assessment shall match the actual annual costs of the BID in providing services or funds; thus, the amount of the assessment will not vary as a result of changes in the benefited property's assessed value. Exhibit B shows the estimated 2005 Maintenance Agreement and Improvement Loan assessments for each property that may be subject to same.
5. As was explained in the 2003 Operating Plan (for calendar year 2002), the annual BID assessments for 2002 were calculated and fixed based upon the City of Milwaukee real property assessments as of August 1 of such year. As was also explained in the 2003 Operating Plan, for calendar year 2003 and subsequent years, the annual BID assessments shall be calculated and fixed based upon the City of Milwaukee real property assessments as of June 1 of such year. No BID assessment for a given year shall be modified for such year as a result of an increase or decrease in the assessed value of a property for such year that occurs after June 1 of the year in which such BID assessment has been levied. However, as noted in subsections 1, 2 and 3, above, the amount of some BID assessments levied against a particular property may change from year to year to the extent that the property's assessed value changes in relation to the assessed values of other properties within the BID.

B. Unique Assessment Categories and Methods

1. The Development Agreement between the City and the BID requires those property owners who will have new improvements constructed on their river frontage or for their benefit to maintain such improvements to a standard acceptable to the City and the Board. If any property owner fails to so maintain its improvements (after expiration of all applicable cure periods), either the City or the BID may perform any necessary work on such improvements and the cost therefor shall be specially assessed directly (and exclusively) against such property owner. Further, one or more of such property owners may elect to enter into an agreement with the BID pursuant to which the BID shall be responsible for certain maintenance activities (such as cleaning, landscaping, watering of plants) on their respective improvements (a "Maintenance Agreement") or request that the BID make a loan to fund certain upgrades or modifications to their respective improvements (an "Improvement Loan"). If the Board agrees to enter into a Maintenance Agreement or to make an Improvement Loan, the maintenance costs and/or loan repayment shall be specially assessed directly against the property owners who have requested such services or received such loan.

2. Any improvements made by property owners within the BID to their properties that will increase access to and use of the Riverwalk System will further the public purposes and objectives set forth in Article III.A. of this Operating Plan. Accordingly, future loans from the City may be available to or through the BID for owners of property located within the BID and adjacent to riverwalks for improvements that enhance the use and enjoyment of the Riverwalk System. In the event such loans become available from the City, the BID may lend such funds to individual property owners who shall repay such funds through special assessments incorporating such terms and conditions as the City requires.

C. Excluded and Exempt Property

The BID law requires explicit consideration of certain classes of property. In compliance with the law the following statements are provided:

1. State Statute 66.1109(1)(f)lm: The BID will contain property used exclusively for manufacturing purposes, as well as properties used in part for manufacturing. These properties will be assessed according

to the method set forth in this Operating Plan because it is assumed that they will benefit from development in the BID.

2. State Statute 66.1109(5)(a): Property known to be used exclusively for residential purposes will not be assessed; such properties will be identified as BID Exempt Properties in Exhibit B, as revised each year.
3. In accordance with the interpretation of the City Attorney regarding State Statute 66.1109(1)(b), property exempt from general real estate taxes at the time of creation of the BID has been excluded from the BID. Privately owned, tax exempt property adjoining the BID and which is expected to benefit from BID activities may be asked to make a financial contribution to the BID on a voluntary basis.

D. Prepayment and Acceleration of Assessments

1. Any property owner shall be entitled to prepay at any time either: (a) the then outstanding principal portion (together with accrued interest) of the general BID assessment (i.e., the assessment for Development Costs, including the Upgrades and Amenities) allocable to such owner's property (with such allocation to be determined by the Board); or (b) as to a recipient of an Improvement Loan, the principal amount (together with accrued interest) of the Improvement Loan. For administrative convenience, no partial prepayments shall be permitted. Any interested owner of property that is subject to general BID assessments may make a written request to the Board for a statement of the outstanding principal portion (together with accrued interest) of the general BID assessment allocable to such property. Upon receipt from a property owner of payment of all principal and accrued interest for either category of assessments identified above, the Board shall prepare and deliver to the respective property owner a written confirmation of payment and satisfaction of assessment in recordable form. The released property shall continue to be assessed for annual BID operating expenses and for any subsequent expenses (capital or otherwise) incurred by the Board pursuant to future operating plans. A schedule of the principal portion, and accrued interest, of the BID's assessment for Development Costs allocable to each assessable property is attached hereto as Exhibit B. The allocations set forth on Exhibit B are effective only for calendar year 2005, and

will be revised, at the discretion of the Board, in subsequent operating plans.

2. The entire outstanding principal portion (together with accrued interest) of the general BID assessment (i.e., the assessment for Development Costs) allocable to a particular property (as determined by the Board) and, if applicable, the entire outstanding principal amount (together with accrued interest) of any separate assessment allocable to a particular property shall become immediately due and payable in full in either of the following events: (a) if the particular property or any portion thereof becomes wholly residential such that the property in its entirety or any portion thereof would not be assessable under subsequent operating plans pursuant to Chapter 66.1109, Wis. Stat.; or (b) if the particular property becomes exempt from general real estate taxes. If either of such accelerated assessments is not paid in full within 15 days following the event giving rise to such acceleration, the Board may commence any action it deems appropriate to collect same, including initiation of proceedings to foreclose the statutory lien securing such assessments.

V. RELATIONSHIP TO MILWAUKEE COMPREHENSIVE PLAN AND ORDERLY DEVELOPMENT OF THE CITY

A. City Plans

In February 1978, the Common Council of the City of Milwaukee adopted a Preservation Policy as the policy basis for its Comprehensive Plan and as a guide for its planning, programming and budgeting decisions. The Common Council reaffirmed and expanded the Preservation Policy in Resolution File Number 881978, adopted January 24, 1989.

The Preservation Policy emphasizes maintaining Milwaukee's present housing, jobs, neighborhoods, services, and tax base rather than passively accepting loss of jobs and population, or emphasizing massive new development. In its January 1989 reaffirmation of the policy, the Common Council gave new emphasis to forging new public and private partnerships as a means to accomplish preservation.

This BID is a means of formalizing and funding the public-private partnership between the City and property owners in the River Walk Corridor area and for furthering preservation and redevelopment in this

portion of the City of Milwaukee. Therefore, it is fully consistent with the City's Comprehensive Plan and Preservation Policy.

The BID is also compatible with, and intends to follow, the recommendations in applicable comprehensive planning studies such as:

Historic Preservation Planning Recommendations for Milwaukee's Central Business District, September 1993;

Milwaukee Riverlink Guidelines, March 1992;

A Planning Guide for the Middle and Upper Portions of the Milwaukee River, June 1988; and

Planning and Zoning Concepts for Downtown Milwaukee, Spring 1985.

B. City Role in District Operations

The City of Milwaukee has committed to helping private property owners in the BID promote its development. To this end, the City has played a significant role in the creation of the BID and in the implementation of the initial Operating Plan. In furtherance of its commitment, the City will:

1. Provide technical assistance to the BID in the adoption of this and subsequent Operating Plans, and provide such other assistance as may be appropriate.
2. Monitor and, when appropriate, apply for outside funds which could be used in support of the BID.
3. Collect assessments, maintain same in a segregated account, and disburse the monies of the BID.
4. Receive annual audits as required per Section 66.1109(3)(c) of the BID law.
5. Provide the Board, through the Office of Assessment on or before June 1st of each plan year, with the official City records on the assessed value of each tax key number within the BID, as of January 1st of each plan year, for purposes of calculating the BID assessments.

6. Encourage the State of Wisconsin, Milwaukee County and other units of government to support the activities of the BID.

VI. FUTURE YEARS OPERATING PLANS

A. Phased Development

It is anticipated that the BID will continue to revise and develop this Operating Plan annually, in response to changing development needs and opportunities in the BID, in accordance with the purposes and objectives defined in this Operating Plan.

Section 66.11.09(3)(b) of the BID law requires the Board and the City to annually review and make changes as appropriate in the Operating Plan. Therefore, while this document outlines in general terms the complete development program, information on specific assessed values, budget amounts and assessment amounts are based solely upon current conditions. Greater detail about subsequent years' activities will be provided in the required annual plan updates, and approval by the Common Council of such plan updates shall be conclusive evidence of compliance with this Operating Plan and the BID law.

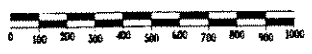
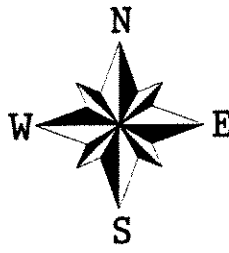
In later years, the BID Operating Plan will continue to apply the assessment formula, as adjusted, to raise funds to meet the next annual budget. However, the method of assessing shall not be materially altered, except with the consent of the City of Milwaukee.

B. Amendment, Severability and Expansion

This BID has been created under authority of Section 66.1109 of the Statutes of the State of Wisconsin. Should any court find any portion of this Statute invalid or unconstitutional its decision will not invalidate or terminate the BID and this Operating Plan shall be amended to conform to the law without need of re-establishment.

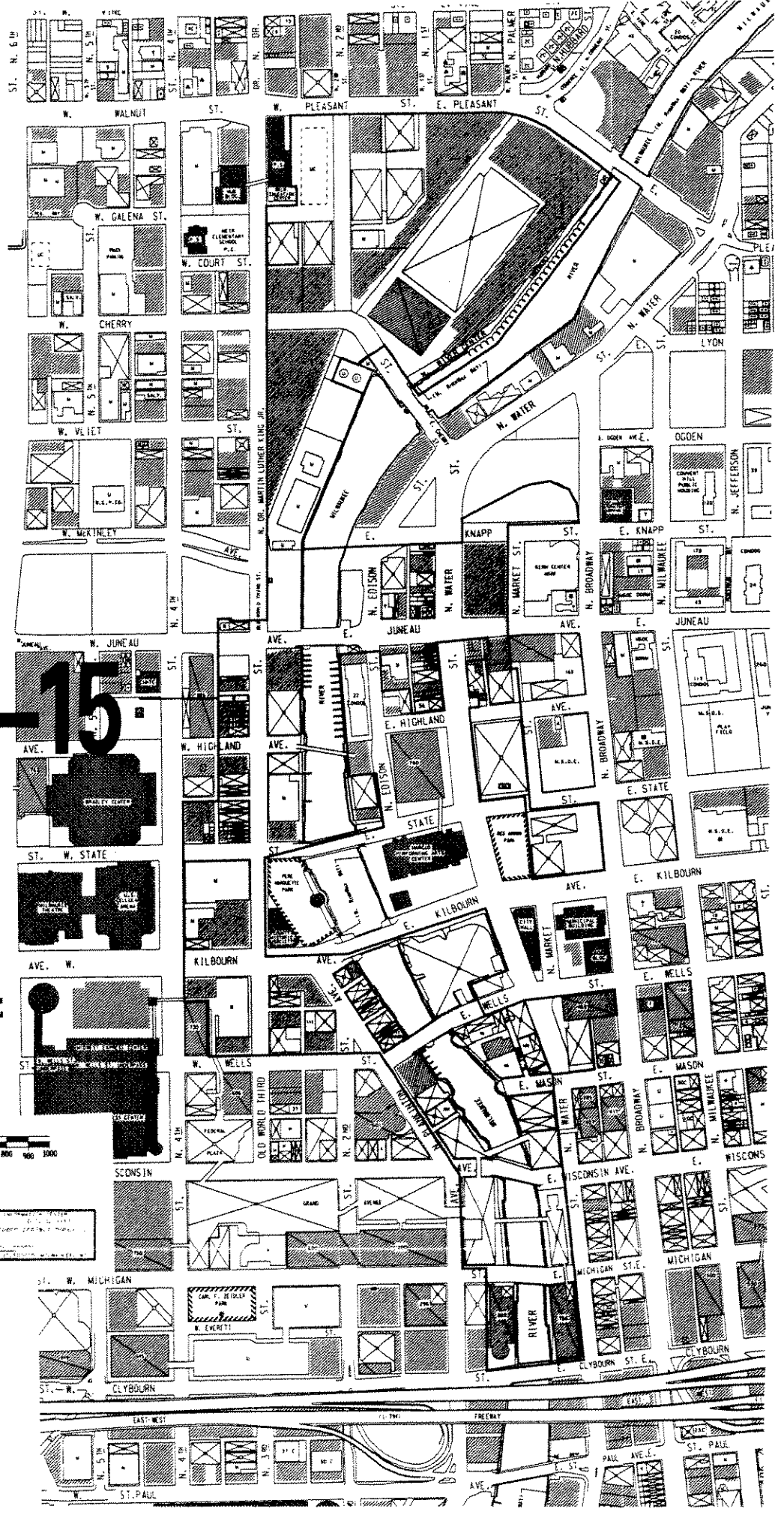
Should the legislature amend the Statute to narrow or broaden the process of a BID so as to exclude or include as assessable properties a certain class or classes of properties, then this Operating Plan may be amended by the Common Council of the City of Milwaukee as and when it conducts its annual Operating Plan approval and without necessity to undertake any other act. This is specifically authorized under Section 66.1109(3)(b).

BID-15



Map of Bid-15 area showing streets and building footprints. The map includes a compass rose and a scale bar. A legend box in the bottom left corner contains the following text:

Map of Bid-15 area showing streets and building footprints. The map includes a compass rose and a scale bar. A legend box in the bottom left corner contains the following text:



CITY OF MILWAUKEE BID #15

Riverwalk Capital Assessment - 2004

Proposed Assessments
 Minimum Payment \$460
 Max Class 1 pymt \$6,500
 Annual Debt Svc. \$274,392
 Annual Operating Cost \$25,000

Taxkey	Assessment Factor	Property Address	Owner Name	Current Assessment	Assessment/Agreement Class 1 ratio of 6 to 1 0.16667	Proposed Debt Assessments	Proposed Operating Assessments	Individual Loan Payments	Final Proposed Assessments	Amount of Total Debt Payment In Full
3610184112	1	1505 N RIVERCENTER	SCHLITZ RIVERCENTER LLC	30,190,000	5,031,667	6,500	1,574		8,074	74,559
3921206000	1	1109 N WATER	PRETZEL BOYS INC	237,000	39,500	460	12		472	5,276
3921197000	1	1127 N WATER	SIDNEY GOLDBERG	256,000	43,000	460	13		473	5,276
3921200000	1	1119 N WATER	SCOTT HENRY & MONICA SCHERFER	1,536,000	256,000	1,166	80		1,246	13,378
3921202000	1	1115 N WATER	SCOTT HENRY & MONICA SCHERFER	182,000	30,333	460	9		469	5,276
3921204000	1	1113 N WATER	PRETZEL BOYS INC	119,000	19,833	460	6		466	5,276
3922562000	1	1101 N MARKET	1101 N MARKET ST PARTNERS (Prev 39212931)	2,370,000	395,000	1,550	124		1,673	17,777
3921208000	1	1101 N WATER	ROBERT C SCHMIDT JR	1,437,000	239,500	1,121	75		1,196	12,866
3921194100	1	1135 N WATER	D & D REALTY ON WATER LLC	736,000	122,667	460	38		498	5,276
3922572000	1	1114 N WATER	MARKET STREET PARTNERS II (Prev 39212981)	1,000,000	166,667	460	52		512	5,276
3922096111	1	1303 N BROADWAY	MARSHALL & ILSLEY BANK	1,062,800	177,133	460	55		515	5,276
3922127100	1	1214 N WATER	MARSHALL & ILSLEY BANK	2,097,000	349,500	1,424	109		1,534	16,337
3922131000	1	1245 N WATER	PAGET ON WATER LLC	744,000	124,000	460	39		499	5,276
3921196000	1	1129 N WATER	WATER STREET INVESTMENTS	36,800	6,133	460	2		462	5,276
3921189000	1	145 E JUNEAU	D & D REALTY ON WATER LLC	27,308	4,551	460	1		461	5,276
3921192000	1	1139 N WATER	D & D REALTY ON WATER LLC	219,000	36,500	460	11		471	5,276
3922133100	1	1233 N WATER	PAGET ON WATER LLC	334,000	55,667	460	17		477	5,276
3920601110	1	733 N WATER	COMPASS PROPERTIES NORTH WATER ST LLC	13,009,000	2,168,167	6,442	678		7,120	73,890
3920203000	1	840 N OLD WORLD THIRD	JOANNE L CHARLTON	705,000	117,500	460	37		497	5,276
3920302000	1	104 E MASON	CITY HALL SQUARE LLC	6,236,000	1,039,333	3,327	325		3,653	38,167
3920401110	1	789 N WATER	WATER STREET INVESTMENT LLC	6,050,000	1,008,333	3,242	315		3,557	37,186
3920411000	1	753 N WATER	KV HOLDINGS	850,000	141,667	460	44		504	5,276
3920604110	1	100 E WISCONSIN	100 EAST WISCONSIN AVE JV	52,594,000	8,765,667	6,500	2,742		9,242	74,559
3920601120	1	731 N WATER	COMPASS PROPERTIES NORTH WATER ST LLC	1,135,000	189,167	982	59		1,041	11,263
3921187110	1	1128 N EDISON	GREGG S WILKE SR & THOMAS G WILKE	763,000	127,167	460	40		500	5,276
3920605111	1	111 E WISCONSIN	PLAZA BLDG MANAGEMENT CORP	26,661,000	4,443,500	6,500	1,390		7,890	74,559
3920707111	1	778 N WATER	MARSHALL & ILSLEY BANK	29,598,000	4,933,000	6,500	1,543		8,043	74,559
3921183100	1	113 E JUNEAU	ZILBER FAMILY PARTNERSHIP	314,000	52,333	460	16		476	5,276
3922132000	1	1241 N WATER	DOUGLAS J WIED & SHIRLEY M WIED	115,000	19,167	460	6		466	5,276
3922137000	1	1217 N WATER	THOMAS DEER & CONSTANCE BECK	93,900	15,650	460	5		465	5,276
3922136000	1	1221 N WATER	WARD & KENNEDY CO	811,000	136,167	460	42		502	5,276
3922513000	1	761 N WATER	TAP PROPERTIES LLC	439,000	73,167	460	23		483	5,276
3922431000	1	740 N PLAKINTON	RIVER BANK PLAZA BLDG	3,000,000	500,000	1,839	156	14,181	16,177	183,765
3922441000	1	123 E WELLS	CITY HALL SQUARE LLC	3,508,000	584,667	2,073	183		2,256	23,779
3922511000	1	767 N WATER	PACHEFSKY PROP LLC	181,000	30,167	460	9		469	5,276
3922512000	1	765 N WATER	DAVID D VOIGHT	192,000	32,000	460	10		470	5,276

CITY OF MILWAUKEE BID #15

Riverwalk Capital Assessment - 2004

Proposed Assessments

Minimum Payment \$460
 Max Class 1 pymt \$6,500
 Annual Debt Svc. \$274,392
 Annual Operating Cost \$25,000

Taxkey	Assessment Factor	Property Address	Owner Name	Current Assessment	Assessment/Class 1 ratio of 6 to 1 0.16667	Proposed Debt Assessments	Proposed Operating Assessments	Individual Loan Payments	Final Proposed Assessments	Amount of Total Debt Payment In Full
3922531000	1	771 N WATER	STOUT BROS LLC	663,000	110,500	460	35		495	5,276
3922514000	1	759 N WATER	DEAN N JENSEN	280,000	46,667	460	15		475	5,276
3922423000	1	1010 N WATER	BEVERLY HILLS PROPERTIES	1,100,000	183,333	460	57		517	5,276
3970331000	1	101 W WISCONSIN	IVORY RETAIL/OFFICE INVESTORS LLC	950,000	158,333	460	50		510	5,276
3970332000	1	101 W WISCONSIN	IVORY RETAIL/OFFICE INVESTORS LLC	1,623,000	270,500	1,206	85		1,291	13,837
3970333000	1	101 W WISCONSIN	IVORY HOTEL INVESTORS LLC	3,987,000	664,500	2,293	208		2,501	26,305
3970334000	1	101 W WISCONSIN	AMERICAN SOCIETY FOR QUALITY INC	9,769,000	1,628,167	4,952	509		5,461	56,802
3922424000	1	1000 N WATER	AAP PROPERTIES LLC	31,664,000	5,277,333	6,500	1,651		8,151	74,559
3922401000	1	815 N WATER	815 WATER ST LTD PARTNERSHIP	3,165,000	527,500	1,915	165		2,080	21,970
3922402000	1	131 E KILBOURN	BADGER XIX LTD PARTNERSHIP	0	0	460	0		460	5,276
3922138000	1	1215 N WATER	THOMAS DEER & CONSTANCE BECK	162,000	27,000	460	8		468	5,276
3922143000	1	144 E JUNEAU	CHARLOTTE VOLK	177,000	29,500	460	9		469	5,276
3922139000	1	1213 N WATER	THOMAS DEER & CONSTANCE BECK	314,000	52,333	460	16		476	5,276
3922140000	1	1209 N WATER	LESZ INC	259,000	43,167	460	14		474	5,276
3922141000	1	1207 N WATER	BARBARAL SHAFTON	626,000	104,333	460	33		493	5,276
3922142000	1	146 E JUNEAU	CHARLOTTE VOLK	132,000	22,000	460	7		467	5,276
3922149100	1	1232 N EDISON	1232 NORTH EDISON LLC	618,000	103,000	460	32		492	5,276
3922146100	1	134 E JUNEAU	DOUGLAS A ROSSI	302,000	50,333	460	16		476	5,276
3922361000	1	107 E KILBOURN	GLR MILW CENTER LLC	47,604,000	7,934,000	6,500	2,482		8,982	74,559
3922150100	1	1201 N EDISON	1201 NORTH EDISON LLC	648,400	108,067	460	34		494	5,276
3922301100	1	250 E KILBOURN	MORTGAGE GUARANTY INSURANCE CORP.	22,119,000	3,686,500	6,500	1,153		7,653	74,559
3922343200	1	122 E WELLS	BADGER XIX LTD PARTNERSHIP	0	0	460	0		460	5,276
3922352000	1	135 E KILBOURN	MIP MILWAUKEE LLC	18,330,000	3,055,000	6,500	956		7,456	74,559
3610304111	1	201 W CHERRY	COMMERCE POWER LLC	1,723,500	287,250	1,252	90		1,342	14,367
3970335000	1	101 W WISCONSIN	IVORY RETAIL/OFFICE INVESTORS LLC	1,793,000	298,833	1,284	93		1,378	14,733
3610523000	1	1023 N OLD WORLD THIRD	MADERS GERMAN RESTAURANT	231,000	38,500	460	12		472	5,276
3610437000	1	1163 N OLD WORLD THIRD	OLD WORLD DEV LLC	611,000	101,833	460	32		492	5,276
3610438000	1	316 W HIGHLAND	FRED USINGER INC	59,600	9,933	460	3		463	5,276
3610519100	1	1037 N OLD WORLD THIRD	G VICTOR MADER & MARIE A MADER	1,399,000	233,167	1,103	73		1,176	12,655
3610521000	1	1033 N OLD WORLD THIRD	MILWAUKEE JEWISH FOUNDATION	338,000	56,333	460	18		478	5,276
3610522000	1	1029 N OLD WORLD THIRD	TOM & PATTY LLC	207,000	34,500	460	11		471	5,276
3610524000	1	1021 N OLD WORLD THIRD	RICHARD WAGNER	139,000	23,167	460	7		467	5,276
3610431000	1	1109 N OLD WORLD THIRD	CHARLES E & AILEEN M ALBERT	176,000	29,333	460	9		469	5,276
3610527000	1	1015 N OLD WORLD THIRD	BUCK BRADLEY LLC	943,000	157,167	460	49		509	5,276
3610526000	1	1013 N OLD WORLD THIRD	THOMAS P EHR REV. TRUST	154,000	25,667	460	8		468	5,276
3610528000	1	1009 N OLD WORLD THIRD	LENRAK LLC	277,000	46,167	460	14		474	5,276

CITY OF MILWAUKEE BID #15

Riverwalk Capital Assessment - 2004

Proposed Assessments

Minimum Payment \$460
 Max Class 1 pymt \$6,500
 Annual Debt Svc. \$274,392
 Annual Operating Cost \$25,000

Taxkey	Assessment Factor	Property Address	Owner Name	Current Assessment	Assessment/ Agreement Class 1 ratio of 6 to 1 0.16667	Proposed Debt Assessments	Proposed Operating Assessments	Individual Loan Payments	Final Proposed Assessments	Amount of Total Debt Payment In Full
3610530000	1	1005 N OLD WORLD THIRD	JAMES & ROBERT BOUCHARD	138,000	23,000	460	7		467	5,276
3610531110	1	332 W STATE	THE JOURNAL COMPANY	512,000	85,333	460	27		487	5,276
3610432000	1	1105 N OLD WORLD THIRD	CARMELINO CAPATI JR & CONCEPCION C HW	200,000	33,333	460	10		470	5,276
3610430000	1	1113 N OLD WORLD THIRD	HIGHLAND BEACH SURFERS INC	90,900	15,150	460	5	7,879	8,344	95,654
3611844000	1	101 W PLEASANT	SCHLITZ PARK ASSC. II	3,169,000	528,167	1,917	185		2,082	21,991
3610411113	1	202 W JUNEAU	RIVERFRONT PLAZA JV	768,400	128,067	460	40		500	5,276
3610308100	1	1450 N COMMERCE	THE BREWERY WORKS INC	13,500	2,250	460	1		461	5,276
3610309100	1	1442 N COMMERCE	RIVERFRONT POWER LLC	174,400	29,067	460	9		469	5,276
3610310110	1	1430 N COMMERCE	THE BREWERY WORKS INC	98,600	16,433	460	5		465	5,276
3610409100	1	300 W JUNEAU	KNAPP STREET REALTY CORP	922,000	153,667	460	48		508	5,276
3610412114	1	201 W JUNEAU	RIVERFRONT PLAZA JV	723,500	120,583	460	38		498	5,276
3610429000	1	1117 N OLD WORLD THIRD	FRED USINGER INC	46,783	7,783	460	2		462	5,276
3610415100	1	1141 N OLD WORLD THIRD	GAROT HOSPITALITY INC	303,000	50,500	460	16		476	5,276
3610421090	1	1137 N OLD WORLD THIRD	RUSSELL DAVIS	317,000	52,833	460	17		477	5,276
3610425000	1	1129 N OLD WORLD THIRD	FRED USINGER INC	196,000	32,667	460	10		470	5,276
3610426000	1	1125 N OLD WORLD THIRD	CARMELINO CAPATI JR & CONCEPCION C CAP	219,000	36,500	460	11		471	5,276
3610427000	1	1121 N OLD WORLD THIRD	FRED USINGER INC	36,700	6,117	460	2		462	5,276
3610534000	1	324 W STATE	BRIAN E O'LEARY	58,100	9,683	460	3		463	5,276
3610535000	1	322 W STATE	SANDRA STONE RUFFALO	518,000	86,333	460	27		487	5,276
3610536000	1	316 W STATE	JEROME W KAHN	50,400	8,400	460	3		463	5,276
3610537000	1	1001 N OLD WORLD THIRD	JEROME W KAHN	331,000	55,167	460	17		477	5,276
3610776114	1	105 W MICHIGAN	105/111 LLC	15,279,000	2,546,500	6,500	797	3,112	10,409	110,256
3610538000	1	1003 N OLD WORLD THIRD	ROBERT & CHARLOTTE BOUCHARD	128,000	21,333	460	7		467	5,276
3610631000	1	830 N PLANKINTON	ROBERT E JOHN	124,000	20,667	460	6		466	5,276
3610635000	1	808 N PLANKINTON	ROBERT E JOHN	367,000	61,167	460	19		479	5,276
3611801100	1	1104 N OLD WORLD THIRD	RIVERFRONT PLAZA JV	8,916,000	1,469,333	4,514	460		4,973	51,775
3610625000	1	206 W WELLS	LOTS OF LUCK LLC	658,000	109,667	460	34		494	5,276
3611831000	1	235 W GALENA	THE BREWERY WORKS INC	1,564,900	260,817	1,180	82		1,261	13,530
3611841110	1	1610 N 2ND	1610 N2ND ST LLC	7,500,000	1,250,000	3,909	391		4,300	44,834
3611842000	1	111 W PLEASANT	SCHLITZ PARK ASSC. I	770,000	128,333	460	40		500	5,276
3610629000	1	840 N PLANKINTON	KILBOURN TOWN LLC	396,000	66,000	460	21		481	5,276
3610630000	1	834 N PLANKINTON	ROBERT E JOHN	350,000	58,333	460	18		478	5,276
3610624000	1	808 N OLD WORLD THIRD	CENTURY BUILDING LLC	2,193,000	365,500	1,468	114		1,563	16,843
3610622000	1	823 N 2ND	CHALET AT THE RIVER LLC	4,468,000	744,667	2,514	233		2,747	28,842
3610571100	1	330 W KILBOURN	THE JOURNAL COMPANY	1,120,000	186,667	975	58		1,033	11,184
3610620000	1	830 N OLD WORLD THIRD	ANANT PHOUNGHOL	796,000	132,667	460	41		501	5,276

CITY OF MILWAUKEE BID #15

Riverwalk Capital Assessment - 2004

Proposed Assessments
 Minimum Payment \$460
 Max Class 1 pymt \$6,500
 Annual Debt Svc. \$274,392
 Annual Operating Cost \$25,000

Taxkey	Assessment Factor	Property Address	Owner Name	Current Assessment	Assessment/ Agreement Class 1 ratio of 6 to 1 0.16667	Proposed Debt Assessments	Proposed Operating Assessments	Individual Loan Payments	Final Proposed Assessments	Amount of Total Debt Payment in Full
3610619000	1	836 N OLD WORLD THIRD	ANAT CHONGVATANABANDIT	268,000	44,667	460	14	474	474	5,276
3610621100	1	822 N OLD WORLD THIRD	ANANT PHOUNGHOL	462,000	77,000	460	24	484	484	5,276
3610618115	1	302 W WELLS	MILWAUKEE MECCA HOTEL ASSC. LTD	626,100	104,350	460	33	493	493	5,276
3610603116	1	333 W KILBOURN	MILWAUKEE MECCA HOTEL ASSC. LTD	27,757,000	4,626,167	6,500	1,447	7,947	7,947	74,559
3610559111	1	333 W STATE	JOURNAL / SENTINEL INC	11,127,200	1,854,533	5,576	580	6,157	6,157	63,965
3920202000	1	843 N PLANKINTON	THANKS-A-Lot LLC	798,000	133,000	460	42	502	502	5,276
3611951000	1	230 W CHERRY	THE BREWERY WORKS INC	375,700	62,617	460	20	480	480	5,276
3611952000	1	210 W CHERRY	THE BREWERY WORKS INC	304,200	50,700	460	16	476	476	5,276
3611953000	1	205 W GALENA	THE BREWERY WORKS INC (Prev #3611882110)	473,000	78,833	460	25	485	485	5,276
3611954000	1	215 W PLEASANT	SCHLITZ PARK ASSC. I	2,807,000	467,833	1,751	146	1,897	1,897	20,082
3611961000	1	201 W PLEASANT	THE BREWERY WORKS INC	811,900	135,317	460	42	502	502	5,276
3611962000	1	1500 N 2ND	SCHLITZ PARK ASSC. I	400,000	66,667	460	21	481	481	5,276
3611963000	1	101 E PLEASANT	SCHLITZ PARK ASSC. J (Prev #3611851111)	1,551,200	258,533	1,173	81	1,254	1,254	13,458
3922561000	1	223 E JUNEAU	1101 N MARKET ST PARTNERS	341,000	56,833	460	18	478	478	5,276
3922571000	1	1124 N WATER	MARKET STREET PARTNERS II	28,200	4,700	460	1	461	461	5,276
				442,930,908	73,821,818	166,710	23,092	25,172	214,975	2,201,015

CITY OF MILWAUKEE BID #15

Riverwalk Capital Assessment - 2004

Proposed Assessments
 Minimum Payment \$460
 Max Class 1 pymt \$6,500
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 Annual Operating Cost \$25,000

Taxkey	Assessment Factor	Property Address	Owner Name	Current Assessment	Assessment/ Agreement/ Class 1 ratio of 6 to 1 0.16687	Proposed Debt Assessments	Proposed Operating Assessments	Individual Loan Payments	Final Proposed Assessments	Amount of Total Debt Payment In Full
3610539110	6	1044 N OLD WORLD THIRD	HIGHLAND BEACH SURFERS INC	1,774,000	1,774,000	5,354	92		5,447	61,417
3610540111	6	1030 N OLD WORLD THIRD	FRED USINGER INC	2,057,000	2,057,000	6,135	107		6,242	70,372
3610642111	6	710 N PLANKINTON	TOWNE REALTY INC	5,939,000	5,939,000	16,845	310	1,221	18,376	207,228
3610314110	6	1330 N COMMERCE	RIVERFRONT POWER LLC	15,740,000	15,740,000	43,885	821		44,705	503,385
3922482000	6	108 W WELLS	BARTELS LTD PARTNERSHIP	240,000	240,000	1,122	13		1,135	12,872
3610634000	6	810 N PLANKINTON	PLANKINTON PROFESSIONAL BUILDING	329,000	329,000	1,368	17	2,745	4,130	47,175
3610633000	6	814 N PLANKINTON	BARTELS LTD PARTNERSHIP	901,000	901,000	2,946	47	5,104	8,097	92,336
3610627100	6	111 W KILBOURN	KILBOURN BRIDGE ASSC.	797,000	797,000	2,659	42		2,700	30,498
3922481000	6	108 W WELLS	BARTELS LTD PARTNERSHIP	61,600	61,600	460	3	16,550	17,013	195,116
3922442000	6	107 E WELLS	ROYAL TAXMAN	329,000	329,000	1,368	17	7,879	9,264	106,065
3920814111	6	543 N WATER	BANC ONE BUILDING	6,354,000	6,354,000	17,990	331		18,321	206,355
3611901000	6	730 N PLANKINTON	MILWAUKEE / RIVERFRONT PROPERTIES	241,000	241,000	1,125	13		1,137	12,903
3610632000	6	826 N PLANKINTON	BARTELS LTD PARTNERSHIP	1,089,000	1,089,000	3,464	57	7,891	11,412	130,254
3921178100	6	1005 N EDISON	ROJAHN & MALANEY CO	521,000	521,000	1,897	27		1,925	21,764
3921179100	6	100 E STATE	ROJAHN & MALANEY CO	219,000	219,000	1,064	11		1,076	12,207
				36,591,600	36,591,600	107,682	1,908	41,390	150,979	1,709,948
				479,522,508	110,413,418	274,392	25,000	66,562	365,954	3,910,963
				Annual Debt Svc	\$274,392					
				Debt Assessment Ratio	0.0024851327					
				Min Assessment	\$185,101					
				Annual Operating Costs	\$25,000					
				Operating Assessment Ratio*	0.0000521352					

*Based upon full assessment value of 479,522,508

EXHIBIT "C"

Construction Budget

<i>Project Segment</i>	<i>Budget (note #9)</i>	<i>Private/BID Share</i>	<i>City Share</i>	<i>City Source</i>
1. Sidewalk (Highland to Edison)	\$ 45,927.00	\$ 10,000.00	\$ 35,927.00	Dwntwn Fund
2. Highland Plaza East	\$ 560,810.00 (note #1)	\$ 183,000.00	\$ 377,810.00 (note #1)	Dwntwn Fund
3. Highland to State - East Side (Rojan)	\$ 596,611.00	\$ 164,000.00	\$ 432,611.00	Dwntwn Fund
4. Highland Pedestrian Bridge	\$ 3,611,883.00 (note #13) (note #14)	\$ 545,000.00	\$ 3,066,883.00	TID 13 Dwntwn Fund & Bridge Fund
5. Michigan to Clybourn - Eastside (Bank One Parking)	\$ 519,533.00	\$ 155,000.00	\$ 364,533.00	Dwntwn Fund
6. Wisconsin to Riverbank Plaza - West side (Empire)	\$ 659,368.00	\$ -	\$ 659,368.00	TID 9
7. Wells to Kibbourn - West side (Multi Owner)	\$ 1,790,158.00 (note #10)	\$ 1,080,567.00	\$ 709,591.00	Dwntwn Fund
8. State to Highland - West side (Ushinger)	\$ 762,362.00 (note #5)	\$ 302,000.00 (note #5)	\$ 460,362.00	Dwntwn Fund
9. Highland Plaza West	\$ 298,765.00 (note #1)	\$ 86,000.00	\$ 212,765.00 (note #1)	Dwntwn Fund & Bridge Fund
10a. Commerce Street Park & Riverwalk (Perimeter Lighting)	\$ 343,381.00 (note #2)	\$ -	\$ 343,381.00	TID 13
10b. Commerce Street Park & Riverwalk (Warme Cable Segment)	\$ 1,635,979.00 (note #12)	\$ 359,915.00 (note #12)	\$ 1,276,064.00 (note #12)	TID 41
10c. Commerce Street Park & Riverwalk (Harley Segment)	\$ 2,407,916.00 (note #12)	\$ 529,742.00 (note #12)	\$ 1,878,174.00 (note #12)	TID 41
10d. Commerce Street Park & Riverwalk (Mill Segment)	unknown	unknown	unknown	unknown
11. Crosswalk Connections	\$ 362,000.00	\$ 80,000.00	\$ 282,000.00	TID 9 & Dwntwn Fund
12. Mason Street Plaza	\$ 573,565.00	\$ 159,000.00	\$ 414,565.00	Dwntwn Fund
13. Pedestrian Alley - 3rd to 4th Street	\$ 64,889.00	\$ 17,000.00	\$ 47,889.00	Dwntwn Fund
14. Kibbourn to State - West Side (Pere Marquette Park)	\$ 896,152.00	\$ 100,000.00	\$ 796,152.00	Dwntwn Fund
SUBTOTALS	\$ 15,129,299.00	\$ 3,771,224.00	\$ 11,358,075.00	
15. Wells to Kibbourn - East Side (Milwaukee Cr. Enhancements)	\$ 37,527.00	\$ 22,400.00	\$ 15,127.00	Dwntwn Fund
16. Wisconsin to Michigan - East Side (Bank One Enhancements)	\$ 16,600.00	\$ 16,600.00	\$ -	Dwntwn Fund
17. Clybourn to Michigan - West Side (Towne Garage Enhance.)	\$ 345,665.00	\$ 67,000.00	\$ 278,665.00	Dwntwn Fund
18. Michigan to Wisconsin - West Side (Marshall Fields Enhance.)	\$ 141,113.00	\$ 51,000.00	\$ 90,113.00	Dwntwn Fund
19. Highland to Juncou - West Side (Weissgerber Enhancements)	\$ 128,658.00	\$ 39,000.00	\$ 89,658.00	Dwntwn Fund
20. Wells South - West Side (Riverbank Plaza Enhancements)	\$ 292,000.00 (note #3)	\$ 209,000.00 (note #3)	\$ 83,000.00	Dwntwn Fund
21. Kibbourn to State - East Side (PAC Enhancements)	\$ 14,459.00	\$ 8,000.00	\$ 6,459.00	Dwntwn Fund
22. Fine Arts Building Enhancements	\$ 438,302.00 (note #4)	\$ 205,414.00 (note #4)	\$ 232,888.00	Dwntwn Fund
23. Empire Building & Towne Garage Enhancements	\$ 55,000.00 (note #7)	\$ 55,000.00 (note #7)	\$ -	Dwntwn Fund
SUBTOTALS	\$ 1,469,324.00	\$ 673,414.00	\$ 795,910.00	
24. Monitoring & Inspections (DPW Engineers)	\$ 181,000.00	\$ 42,000.00	\$ 139,000.00	Dwntwn Fund
25. Building Amenities (Signage, etc.) (note #6)	\$ 238,574.00 (note #11)	\$ 57,000.00	\$ 181,574.00	Dwntwn Fund & Dev. Opp Fund
SUBTOTALS	\$ 419,574.00	\$ 99,000.00	\$ 320,574.00	
GRAND TOTALS	\$ 17,018,197.00	\$ 4,543,638.00	\$ 12,474,559.00	

Footnotes

1. Includes \$125,000 for dockwall repairs authorized by Common Council Resolution No. 941733 and \$40,000 for additional enhancements authorized by Common Council Resolution No. 990128.
2. This figure includes installation of pedestrian lighting on North Martin Luther King, Jr. Drive and on West Cherry Street adjacent to the Commerce Street/WEPCO Power Plant block. It also includes design plans for dockwall improvements and a temporary riverwalk. This temporary riverwalk will not be constructed as part of the overall project.
3. Includes \$100,000 added by Common Council File No. 950603 to upgrade the Riverbank Plaza plus an additional \$80,000 added by File No. 960465.
4. Includes \$100,000 added by the Common Council (File No. 950603) to upgrade the Fine Arts Building portion of the riverwalk.
5. Includes \$100,000 for dockwall repairs added by Common Council File No. 941184.
6. This line includes funds for project signage, building amenities, water taxi stops not included with other segment improvements, and general project contingency funds.
7. Added by Common Council File No. 950957.
8. In addition to the budget shown, \$495,400 was previously approved for the segment per Common Council File No. 940926. Of this total, \$336,000 will be provided through a Federal Grant and \$159,400 will be provided by the City. The total budget for this segment is \$933,702.
9. The budget for each of the individual project components has been adjusted to reflect actual and expected costs as of September 1, 1997.
10. Includes \$1,278,000 added per amendment number 7 (Common Council File No. 970824). Of this amount, \$871,035 is for project up-grades to be paid back to the City by benefited property owners. The remaining \$406,965 reflects increases in base project costs and will be split 78% City and 22% BID15. The \$871,035 for project up-grades was subsequently revised by \$200,000.

11. Includes \$75,000 added per amendment number 7 (Common Council File No. 970824). This \$75,000 addition will be used as a building amenity grant in the multi-owner block.
12. These funds were established per amendment number 9. (Common Council File No. 000690).
13. This figure includes \$200,000 transferred from the multi-owner block budget. The \$200,000 was allocated 78% City, 22% BID.
14. Includes \$62,000 added per amendment number 10 (Common Council File No. 011165). This \$62,000 will be used to fund Change Order #8 for the Highland Avenue bridge (pressure switches).