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June 28, 2022

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

RE: File 220305, TID 41 – Time Warner/Manpower  
Amendment 5

Dear Committee Members:

File 220305 would approve Amendment 5 Tax Incremental District (TID) 41, Time Warner/Manpower (the District), along with a corresponding project plan. The Comptroller's office has reviewed the project plan, feasibility study, and has had discussions with Department of City Development (DCD) staff. We analyzed the information received to create this analysis.

#### TID Background

TID 41 was created in 2000 (Common Council file no. 000428) to fund a developer-financed extension of the riverwalk between West Juneau Avenue and West Cherry Street and other public improvements.

In 2006, the project plan was amended (Common Council file no. 051108) to provide funding for construction of a 1,270 space parking structure, an extension of the riverwalk and other public improvements along with grants and loans to the Manpower building developer. In 2013, an amended project plan was approved (Common Council file no. 130246) to fund street reconstruction and site improvements.

In 2016, the project plan was amended (Common Council file no. 160299) to provide a portion of the City match required for a \$20 million Federal TIGER grant to fund construction of an extension to the Streetcar project along 4th Street from the Intermodal Station to the new Arena. Although amendment 3 met approval, the City did not receive the Federal TIGER grant.



Amendment 4 (Common Council file no. 161500) to the TID provided a cash grant of \$475,000 for facilitating the construction of a public Riverwalk and \$400,000 towards installation of pedestrian-actuated rectangular rapid flashing beacons (RRFBs) at a mid-block street crossing on the Milwaukee Riverwalk.

In 2018, the City of Milwaukee created an “Anti-Displacement Plan” for neighborhoods surrounding downtown Milwaukee that identified neighborhoods vulnerable to displacement. In reviewing assessment data, assessment value increased over 44% for one and two family homes in the area. Amendment 5 would provide \$1 million dollars to fund two strategies from the Anti-Displacement Plan that would help provide resources to support new homeownership as well for the creation of the new preservation of existing affordable rental housing. Additionally, the amendment would provide up to \$5.5 million dollars to fund the design and construction of public infrastructure improvements and other street amenities located within one-half mile of the District’s boundaries. Table A shows the capitol costs to date and total estimated project costs excluding capitalized interest and other financing costs.

Description	Amount
<b>Capital Costs</b> To Date:	\$ 33,079,182
<b>Other Costs:</b> Administration Budget	\$ 177,004
<b>Estimated Future Costs:</b>	
Amendment No. 5: Public Infrastructure & Street Amenities	\$ 5,500,000
Housing Resources	\$ 1,000,000
<b>Total Estimated Project Costs, excluding financing</b>	\$ 39,756,186
<b>Financing Costs</b>	\$ 8,814,625

District 41 has incurred project costs, to date of \$33,256,186, including capitalized interest and has achieved an increase in incremental property value of \$131,890,300.

**Is This Project Likely to Succeed?**

The feasibility study provided by DCD indicates that the District has already achieved breakeven status in 2020. The \$6,500,000 proposed in this Amendment will not affect the District from a financial standpoint and therefore the proposed Amendment appears feasible based on the Comptroller’s Office review.

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

This proposed Amendment 5 allows the City to help fund the Anti-Displacement Plan and to help fund the design and construction of public infrastructure improvements along with other street amenities in the District’s boundaries. Without this amendment, the City would have to find an alternate source to fund these projects.

**Conclusion**

Based on the feasibility study, it appears the District is likely to generate enough cash to fund the additional \$6,500,000 of project costs in Amendment 5. Should you have any questions regarding this letter, please contact Nuducha Yang at x2354.

Sincerely,

A handwritten signature in black ink, appearing to read "Aycha Sawa".

Aycha Sawa, CPA, CIA  
Comptroller

CC: Alyssa Remington

AS:NY