

Project Plan  
For  
Tax Incremental District Number No. 93  
City of Milwaukee  
(7<sup>th</sup> and National)

Public Hearing Held: November 16, 2017  
Redevelopment Authority Adopted: November 16, 2017  
Common Council Adopted:  
Joint Review Board Approval:

Prepared by  
Department of City Development  
October 30, 2017

In Conformance with the provisions  
Of Section 66.1105, Wisconsin Statutes,  
as Amended.

## I. DESCRIPTION OF PROJECT

### A. Introduction

Section 66.1105(4) (d), Wisconsin Statutes, requires the "preparation and adoption... of a proposed project plan for each tax incremental district." This Project Plan is submitted in fulfillment of this requirement and the related provisions of section 66.1105, Wisconsin Statutes.

### B. District Boundaries

Tax Incremental District Number 93 ("District" or "TID No. 93"), City of Milwaukee, 7<sup>th</sup> and National is comprised of one property totaling 76,054 square feet or 1.75 acres ("Property"). The District is shown on Map No. 1, "Boundary and Existing Land Use," and described more precisely in Exhibit 1, "Boundary Description." The District currently overlaps TID #85 – 6<sup>th</sup> and National.

The property located within the District was found to be in need of rehabilitation or conservation work within the meaning of Section 66.1105 (4) (gm) of the Wisconsin Statutes. Exhibit 2 "Property Characteristics," illustrates how the property in the District meets the statutory criteria for Tax Incremental Districts.

### C. Plan Objectives

The Property is located at 704-10 West National Avenue in Milwaukee's Walker's Point neighborhood. The property is comprised of a number of underutilized interconnected warehouse buildings. All but one of the structures will be demolished as part of the redevelopment. Historically, the buildings have been used for a variety of industrial and manufacturing uses. Most recently, a portion of the space contained in the buildings have been used for storage purposes by El Rey Enterprises.

The area has seen a number of new development projects involving the adaptive reuse of existing buildings into a variety of housing, commercial and retail uses. Recent development activity has been supported by the nearby reconstruction of South 5<sup>th</sup> Street which was facilitated by creation and implementation of Tax Incremental District # 85.

A development team comprised of Rule Enterprises, LLC and Impact Seven Inc. will undertake the redevelopment of the site which will consist of the construction of a new building with 60 housing units, including both affordable and market rate apartments. Of the 60 units in the building, 51 units will be affordable to families earning under 80% of Area Median Income and 9 units will be market rate.

The purpose of the District is to continue to spur revitalization in the area, by redeveloping the Property as a high quality development with a range of housing opportunities for area residents.

The more detailed objectives of this Project Plan are to:

1. Redevelop partially vacant and underutilized buildings located on the National Avenue corridor.
2. Promote the coordinated development of underutilized property for appropriate residential use.
3. Support past and future investment in the Walker's Point neighborhood.
4. Implement recommendations of the Walker's Point Strategic Action Plan, including adding to the mix of housing opportunities in the neighborhood.
5. Create new employment opportunities.

#### D. Existing Land Uses in the District

The District is comprised of one parcel comprising 1.75 acres. The buildings in the District are currently underutilized and partially vacant. The estimated current assessment of the parcel is \$784,900 (including personal property). The parcel is zoned IM– Industrial Mixed.

## II. PLAN PROPOSALS

### A. Statutory Requirements

Section 66.1105(4) (f), Wisconsin Statutes, requires that a Project Plan for a Tax Incremental District shall include:

"... a statement listing the kind, number and location of all proposed public works or improvements within the district or, to the extent provided in subsection (2) (f)1.k., outside the district, an economic feasibility study, a detailed list of estimated project costs, and a description of the methods of financing all estimated project costs and the time when the costs or monetary obligations related thereto are to be incurred. The plan shall also include a map showing existing uses and conditions of real property in the district; a map showing proposed improvements and uses in the district; proposed changes of zoning ordinances, master plan, if any, map, building codes and city ordinances; a list of estimated non-project costs; and a statement of a proposed method for the relocation of any persons to be displaced. The plan shall indicate how creation of the tax incremental district promotes the orderly development of the city."

The plan shall also include an opinion of the City Attorney or of any attorney retained by the City advising whether such plan is complete and complies with Section 66.1105(4) (f), Wisconsin Statutes.

### B. Compliance with Statutory Requirements

The following statements, maps and exhibits are provided in compliance with the statutory requirements.

1. "Statement of the Kind, Number, and Location of All Proposed Public Works or Improvements."

Funds generated from the District will provide an annual grant to the Developer to offset costs associated with redevelopment of the Project. The City will make payments to the Developer equal to 100% of the incremental taxes collected in the District from real and personal property, less an annual administration charge, until such time as \$575,000 is repaid by payments at an interest rate of 4.5% over a period not to exceed 20 years (the "Monetary Obligation"). See the Term Sheet, attached as Exhibit 3, "Term Sheet".

2. "Detailed List of Estimated Project Costs."

The costs included in this subsection and detailed in Table B which follows are, without limitation hereof because of enumeration, claimed as eligible Project Costs as defined under Section 66.1105(2) (f) and, if appropriate, in any Cooperation Agreement (s) presently or subsequently entered into by and between the City of Milwaukee, the Redevelopment Authority of the City of Milwaukee, and/or eligible designated Developer(s), provided further that such expenditures are necessitated by this Project Plan.

These costs and cost estimates are more fully described as follows:

Capital Costs

The City shall fund an estimated \$575,000 in the form of TID Capital Project Costs enumerated in further detail in Table A of this Plan. The allocation of these costs will be set forth in the Term Sheet.

<b>TABLE A: TID Capital Project Costs</b>	
<b>Grant to Project (Monetary Obligation to Developer)</b>	\$575,000
TOTAL Capital Project Costs	\$575,000

Other Costs

This category of Project Costs includes estimates for administrative, professional, organizational and legal costs.

Financing Costs

Financing costs include estimated gross interest expense on the Monetary Obligation to repay the Developer. Estimates of interest are based on interest rates as Exhibit 4, "Feasibility Study." The City reserves the right to prepay the Monetary Obligation to the Developer, which could require issuance of general obligation debt, as described in the Term Sheet.

Table B - List of Estimated Project Costs

A	<u>Capital:</u> Grant to Project (Monetary Obligation to Developer)	\$ 575,000
B	<u>Other:</u> Administration (\$7,500/year for 20 years)	\$ 150,000
	Total Estimated Project Costs, excluding financing	\$ 725,000
C	<u>Financing:</u> Interest	\$ 357,000

3. "Description of Timing and Methods of Financing."

All expenditures are expected to be incurred during the period from 2018 through 2038.

The annual payments to the Developer will be repaid pursuant to the Monetary Obligation, using incremental taxes generated annually in the District.

4. "Economic Feasibility Study."

The Economic Feasibility Study for this District prepared by the Department of City Development and titled *Economic Feasibility Study: Tax Increment District No. 93 (October 31, 2017)* is attached to this Project Plan as Exhibit 4, "Feasibility Study." The study establishes the dollar value of Project costs which, based on certain general assumptions and a reasonable margin of safety, can be financed with the revenues projected to be generated by the proposed tax incremental district.

Based upon the anticipated tax incremental revenue to be generated by this project, the District is financially feasible and is likely to be retired on or before the year 2038. Should incremental revenues be generated in excess of those currently anticipated, they may be used to accelerate the repayment of the Monetary Obligation for the Project.

5. "Map Showing Existing Uses and Conditions."

Please refer to Map No. 1, "Boundary and Existing Land Use," Map No. 2, "Structure Condition," and Exhibit 5, "Property Owners" in the Exhibits Section, which follows.

6. "Map Showing Proposed Improvements and Uses."

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

7. "Proposed Change of Zoning Ordinances, Master Plan, Building Codes and City Ordinances."

Please refer to Map No. 4, "Existing Zoning," in the Exhibits Section which follows. The proposed Project is consistent with existing zoning, which is Industrial Mixed ("IM"). The

proposed Project is in accordance with the existing master plan, building codes, and other city ordinances. The Project should not require amendments to their provisions, but such amendments could be made if necessary without further amendment to this Project Plan.

8. "List of Estimated Non-Project Costs."

\$0 – there are no Non-Project Costs.

9. "Proposed Method for Relocation."

The Project Plan does not anticipate the acquisition of property by the City of Milwaukee, accordingly, no relocation activities or expenditures for relocation payments or services are provided herein. If, at a later date, it is determined that acquisition of property by condemnation and requiring relocation will be necessary, the cost and method of relocation will be included in a Redevelopment Plan and associated Relocation Plan prepared pursuant to sec. 66.1333 and sec. 32.05, Wis. Stats. The costs of such activities will be eligible for reimbursement through tax increment revenues should such revenues be generated during the statutory life of the District.

10. "Statement Indicating How District Creation Promotes Orderly City Development."

The proposed District is consistent with existing zoning and the goals of the Near South Side Comprehensive Plan. It is also consistent with the Walker Square Strategic Action Plan which was adopted in 2015 and amended the Near South Side Plan to update the strategies and further the goals contained in the plan. These strategies and goals include creating a diversity of housing options for residents, creating affordable housing alternatives for the community, redeveloping low density and underutilized spaces and repurposing functionally obsolete manufacturing and warehousing buildings. Creation of the District will support the past and ongoing redevelopment efforts and City investment in the adjacent neighborhood.

11. "Opinion of the City Attorney."

Please see Exhibit 6, "Letter from the City Attorney" in the Exhibits Section, which follows

## EXHIBITS

<u>Exhibit</u>	<u>Title</u>
Exhibit 1	Boundary Description
Exhibit 2	Property Characteristics
Exhibit 3	Term Sheet
Exhibit 4	Economic Feasibility Study
Exhibit 5	Property Owners
Exhibit 6	City Attorney's Letter
Map 1	Boundary and Existing Land Use
Map 2	Structure Condition
Map 3	Proposed Uses and Proposed Improvements
Map 4	Existing Zoning

## **Exhibit 1**

### **Boundary Description**

Beginning at a point at the intersection of the west line of South 7<sup>th</sup> Street and south line of West Pierce Street;

Thence, west 291.91 feet along the south line of West Pierce Street to intersection of West Pierce Street and the vacated alley/freeway right of way between West Pierce Street and West National Avenue;

Thence southeast to a point on the south line of West National Avenue being 214.25 feet west of the intersection of the north line of West National Avenue and the West line of South 7<sup>th</sup> Street;

Thence east to the intersection of the north line of West National Avenue and the West line of South 7<sup>th</sup> Street;

Thence north along the west line of South 7<sup>th</sup> Street to the point of beginning more particularly depicted in Map 1 of this Project Plan.



### **Exhibit 3**

#### **TERM SHEET 7<sup>th</sup> and National TID No. 93**

#### **Project**

The 7<sup>th</sup> and National Project (the “Project”) involves the acquisition of a 1.75 acre site at 704 West National Avenue, the demolition of all but one of a number of existing warehouse buildings and the construction of new building containing 60 one, two and three bedroom apartment units. Of the 60 total units in the Project, 51 units will be affordable to families earning under 80% of Area Median Income and 9 units will be market rate.

The Project is located within the Walker’s Point neighborhood. The project is consistent with the goals of the Walker’s Point Strategic Action Plan (2015) which include creating a diversity of housing options for the community including affordable housing alternatives, redeveloping low density and underutilized spaces and repurposing functionally obsolete manufacturing and warehousing buildings.

The proposed district overlaps Tax Incremental District #85, which supported the nearby reconstruction of South 5<sup>th</sup> Street and the upgrade of public infrastructure in the area. This has helped spur new neighborhood investment and the redevelopment and conversion of several existing commercial and industrial properties. This includes the adaptive reuse of the International Building at 6<sup>th</sup> and National into market rate housing and commercial space, the conversion of the former industrial building at 644 South 5<sup>th</sup> into office and retail space, the conversion of the building at 600 South 6<sup>th</sup> Street into a restaurant and small hotel and the opening of a new brewery at 505 South 5<sup>th</sup>.

#### **Development Team**

The project is being developed by Rule Enterprises, LLC and Impact Seven Inc. (“together, the “Developer”). Rule Enterprises, LLC is headed by Brandon Rule, an ACRE graduate with a background in community lending. This will be his first Milwaukee project. Impact Seven, Inc. is an affordable housing consultant and developer that has over 30 years of affordable housing development experience and own almost 1,300 units of affordable housing. They have developed several Milwaukee projects, including ones they have partnered with local non-profit organizations as co-developer. These include scattered site housing, LBWN Homes, King Drive Commons IV, Mitchell Street Market Lofts and National Avenue Lofts.

#### **Project Budget:**

Total estimated Project costs for the development are \$12.6 million. The financing structure includes low income housing tax credits, an allocation of Federal HOME funds from the City of Milwaukee, a grant from the Wisconsin Economic Development Corporation (“WEDC”)

mortgage financing from the Wisconsin Housing and Economic Development Authority, a grant from the Federal Home Loan Bank, deferred development fee and other grants.

Estimated total project sources include:

WHEDA First Mortgage	\$ 2,230,000
WHEDA Second Mortgage	\$ 450,000
Low Income Housing Tax Credits	\$ 6,348,900
City Tax Incremental District	\$ 575,000
City HOME Funds	\$ 500,000
Federal Home Loan Bank	\$ 750,000
City Housing Trust Fund (applied for)	\$ 210,000
Neighborworks Grant	\$ 175,000
WEDC Grant	\$ 500,000
Deferred Development Fee	\$ 670,000
Other Grant Sources	\$ 197,100
Total	\$12,606,000

### **Development Schedule**

Construction of the Project shall commence no later than January of 2018 and the Project shall be substantially completed by June of 2019.

### **Tax Incremental District**

The City intends to create a Tax Incremental District (“TID No. 93”) to assist in funding a portion of the costs of the Project as set forth in the Project Plan.

### **Funding**

The Developer shall advance up to \$575,000 (subject to review of the final project budget) of costs related to the Project and shall be repaid for these costs through the Monetary Obligation.

Prior to substantial completion of the Project, City will deposit an amount equal to 100% of the tax incremental revenue actually received by City from TID No. 93, less Annual Expenses into a special fund established for TID No. 93. Upon substantial completion of the Project, such amount shall be disbursed to Developer and applied to reduce the principal balance of the Monetary Obligation.

Subsequent to substantial completion of the Project, following the deduction of Annual Expenses, 100% of incremental tax revenue collected from TID No. 93 will be allocated to repay the Developer for costs incurred for the Project through payments on the Monetary Obligation.

All City payment of tax incremental revenue received by City from TID No. 93 shall be subject to annual appropriation. If not appropriated, City shall not expend such tax increments for any other TID No. 93 project costs.

## **Monetary Obligation**

The Monetary Obligation consists of a limited and conditional obligation to repay Developer an amount up to \$575,000 plus interest on the outstanding balance of the Monetary Obligation at 4.5% per year. Payments on the Monetary Obligation are to be made annually following substantial completion of the Project and in an amount equal to 100% of tax incremental revenue actually received by the City from TID No. 93 less Annual Expenses.

The City may, at any time or from time to time, without notice, penalty, or fee, prepay all or any portion of the Monetary Obligation. In the event that City prepays a portion of the Monetary Obligation 100% of tax incremental revenue allocated to payment of the Monetary Obligation shall be proportionately reduced to reflect such prepayment. Tax incremental revenue will not be pledged to the payment of the Monetary Obligation and the Monetary Obligation shall not constitute a general obligation of City or count against its statutory debt limits.

The Developer shall have the right to assign all or a portion of the Monetary Obligation to sources of financing or refinancing on terms and conditions mutually agreeable between Developer and the proposed assignee(s). The City shall have a reasonable opportunity to review the applicable assignment documentation and approve any documentation to which it is a signatory.

## **Monetary Obligation Earned**

Upon substantial completion of the Project Developer shall submit a certification detailing Project costs theretofore incurred (together with copies of records, invoices, accountant's final cost certification and/or AIA documentation, in a form reasonably acceptable to the Commissioner) evidencing such expenditures. The amount of the Monetary Obligation shall be deemed earned upon approval of such certification by the Commissioner.

## **Design/Consistency with Approved Plans**

Plans and specifications for the Project shall be subject to the review and approval of the City's Commissioner of City Development ("Commissioner").

## **Cost Savings**

If at completion, total Project costs submitted are less than the \$12.6 million estimated in the Project Budget, the principal amount of the Monetary Obligation will be reduced by 50% of the cost savings.

## **Terms of Payments**

City payments on the Monetary Obligation will terminate: (i) at the time the Monetary Obligation is fully paid; or (ii) with the payment derived from the 2037 tax levy, payable in 2038, whichever occurs first.

## **Material Disturbance**

If the Project is not substantially completed by June of 2019 (unless caused in substantial part by an event of *Force Majeure*) (a “Material Disturbance”), then City shall have the right (but not the obligation) to terminate further payments on the Monetary Obligation, using the following procedure:

(1) City shall give Developer notice of its intention to terminate further payments on the Monetary Obligation, and Developer shall have [180] days to eliminate the Material Disturbance, and

(2) Thereafter, if Developer has not timely eliminated the Material Disturbance and if City still intends to terminate payments on the Monetary Obligation, City’s Common Council shall adopt a resolution determining that the Material Disturbance prevents the substantial realization of the public benefits contemplated as a result of the Project and constitutes just cause for the termination of the Monetary Obligation. City shall thereafter file a certificate with Developer (attaching the resolution of the Common Council) stating that City has elected to terminate payments on the Monetary Obligation. Upon City such filing of the certificate, the Monetary Obligation shall terminate.

## **Developer Responsibilities:**

The Developer shall have the following responsibilities:

- Design and develop the Project consistent with the approved plans.
- Submit final development budget for the Project, financing commitments, final bids, a construction contract and proof that all funding sources have been committed (prior to closing).
- Guaranty completion of construction of the Project.
- Commence construction of the Project by January 1, 2018 and substantially complete the Project by June 30, 2019.

## **Human Resources:**

Developer and City will enter into a Human Resources Agreement in a form customary for projects subject to Ch. 355 of the Milwaukee Code of Ordinances. The Human Resources Agreement will provide for utilization of certified Small Business Enterprises for 25% of Project construction costs, 25% for purchase of goods and services, and 18% of amounts expended for the purchase of professional services deemed eligible pursuant to SBE Guidelines, utilization of unemployed and underemployed residents for no less than 40% of the total “worker hours” expended on “construction” of the Project, compliance with applicable state and municipal labor standards, utilization of apprentices and/or on-the-job trainees and participation in City’s First-Source Employment Program.

### **No Tax Exemption**

No portion of the Project shall at any time after closing be exempt from real estate taxes.

### **Development Agreement:**

Developer and City shall enter into a development agreement (“Development Agreement”) containing terms consistent with this Term Sheet and customary for such development agreements.

### **Limits on Developer Action**

Until all Developer obligations under the Development Agreement have been fully discharged, Developer may not, without City consent:

- Liquidate or consolidate the Project sites;
- Merge with another entity;
- Sell, lease or transfer the Project sites other than residential and commercial leases in the ordinary course of business;
- Enter into any transaction that would materially adversely affect the ability of Developer to complete the Project or fulfill its obligations under the Development Agreement;
- Assume or guarantee the obligations of any other person or entity that would materially adversely affect the ability of Developer to complete the Project or fulfill its obligations under the Development Agreement; or
- Enter in a transaction that would cause a material and detrimental change to the Developer’s financial condition.

### **General:**

This term sheet does not constitute an agreement between the Developer and the City. The terms set forth and any other requirements necessary for a transaction of this sort shall be incorporated into a Development Agreement to be entered into between the Developer and the City. In recognition that there may be adjustments of the dates and descriptions herein as well as administrative approvals which will require the exercise of reasonable discretion on behalf of the City, the Commissioner of the Department of City Development will be authorized under these agreements to exercise such discretion and grant such approvals.

### **Note:**

*Attachment 1 provides additional definitions to words and terms used in this Term Sheet in addition to the words and terms elsewhere defined.*

## **Attachment 1**

### **DEFINITIONS**

“Annual Expenses” means \$7,500.

“Force Majeure” means circumstances under which any party is delayed or prevented from the performance of any act required by an agreement by reason of fire, earthquake, war, flood, riot, strikes, labor disputes, judicial orders, public emergency or regulations, or other causes beyond the reasonable control of the party obligated to perform, then performance of such act shall be excused for the period of such delay, and the time for the performance of any such act shall be extended for a period commensurate with the nature of such delay.

“Human Resources Agreement” means an agreement in a form customary for developer-funded tax incremental districts.

“Monetary Obligation” means a limited and conditional obligation to repay Developer an amount up to \$575,000, plus interest on the outstanding balance at 4.5% per year.

“Project Plan” means the Plan for Tax Incremental District No. 93 (7<sup>th</sup> and National).

“Substantial Completion” means the Developer’s receipt from City of a final Occupancy Certificate and lease up of 75% of the residential units in the Project.

## **Exhibit 4**

### **Tax Incremental District #93 7<sup>th</sup> and National Economic Feasibility Study October 31, 2017**

#### **Overview**

The 7<sup>th</sup> and National Project (the “Project”) involves the acquisition of a 1.75 acre site at 704 West National Avenue, the demolition of all but one of a number of existing warehouse buildings and the construction of new building containing 60 one, two and three bedroom apartment units. Of the 60 total units in the Project, 49 units will be affordable to families earning under 60% of Area Median Income 2 units will be affordable to families earning under 80% of Area Median Income and 9 units will be market rate. Rents will be in the \$318-\$1,150 range.

The Project is located within the Walker’s Point neighborhood. It overlaps the boundaries of Tax Incremental District No. 85, 6<sup>th</sup> and National (Tax Incremental District No.85 was created in 2015 to reconstruct South 5<sup>th</sup> Street between West Virginia Street and West Scott Street). In addition to the City’s nearby infrastructure improvements, the neighborhood has experienced significant investment and the conversion of several existing commercial and industrial properties. This includes the redevelopment of the International Building at 6<sup>th</sup> and National into market rate housing and commercial space, the conversion of the former industrial building at 644 South 5<sup>th</sup> into office and retail space, the conversion of the building at 600 South 6<sup>th</sup> Street into a restaurant and small hotel and the opening of a new brewery at 505 South 5<sup>th</sup>.

The project is being developed by Rule Enterprises, LLC and Impact Seven Inc. (“together, the “Developer”).

Total costs for the Project are estimated at \$12.6 million. The City of Milwaukee is proposing to offset up to \$575,000 of these costs through the creation of Tax Incremental District #93 (“District”). Through a Development and Contribution Agreement, funds will be advanced by the Developer under a “pay as you go” approach and repaid by the City, but only from future tax incremental revenue generated by the Project

#### **Financing Structure**

In addition to the proposed Tax Incremental District contribution of \$575,000, the financing structure for the project involves a combination of low income housing tax credits (which will require that of the 49 of the 60 units in the Project be affordable to, and occupied by families earning under 60% of Area Median Income for a period of at least 15 years), construction and permanent financing from the Wisconsin Housing and Economic Development Authority (“WHEDA”), deferred development fee, a contribution of federal HOME funds from the City and other grant sources:

WHEDA First Mortgage	\$ 2,230,000
WHEDA Second Mortgage	\$ 450,000
Low Income Housing Tax Credits	\$ 6,348,900
City Tax Incremental District	\$ 575,000
City HOME Funds	\$ 500,000
Federal Home Loan Bank	\$ 750,000
City Housing Trust Fund (applied for)	\$ 210,000
Neighborworks Grant	\$ 175,000
WEDC Grant	\$ 500,000
Deferred Development Fee	\$ 670,000
Other Grant Sources	<u>\$ 197,100</u>
Total	\$12,606,000

### **Current Property Value**

There is one property in the district, with an estimated assessed value of \$784,900 (including personal property). This is the current base value of the District.

### **Projected Completed Value**

The projected value of the Project upon completion is \$2,515,700 and was derived based on the projected Net Operating Income for the Project. The projected value was confirmed with the City Assessor's Office. Construction completion is anticipated by year end 2018 and full lease up is anticipated in the spring of 2019.

### **Other Assumptions**

- Tax Rate: 2.870% - based on the 2017 tax rate and constant over the next 20 years
- Interest Rate on Payments to Developer: 4.5%. This is consistent with the rate of the underlying debt being financed by WHEDA on the TID portion of the financing for the Project.
- Maximum Term of Payments: 20 years
- Annual Appreciation: - 1%

### **District Cash Flow and Amortization of the Monetary Obligation**

In a "pay-as-you-go" District, the Developer is accepting the risk that the District will generate sufficient incremental value to recapture the \$575,000 of costs, plus 4.5% interest, through future incremental revenue.

As shown in the projections in Table 1, forecasted tax incremental revenues are sufficient for the Developer to recover the proposed TID amount of \$575,000 plus interest in 20 years.

**TABLE I**  
**TID #93 - 7th and National**

Year No.	Levy Year	Budget Year	Base Value	Assessed Value	Incremental Value	Increment	Annual Admin Fee	Tax Increment
1	2018	2019	\$784,900	\$784,900	\$0	\$0	\$0	\$0
2	2019	2020	\$784,900	\$2,515,700	\$1,730,800	\$49,674	\$7,500	\$42,174
3	2020	2021	\$784,900	\$2,540,857	\$1,755,957	\$50,396	\$7,500	\$42,896
4	2021	2022	\$784,900	\$2,566,266	\$1,781,366	\$51,125	\$7,500	\$43,625
5	2022	2023	\$784,900	\$2,591,928	\$1,807,028	\$51,862	\$7,500	\$44,362
6	2023	2024	\$784,900	\$2,617,848	\$1,832,948	\$52,606	\$7,500	\$45,106
7	2024	2025	\$784,900	\$2,644,026	\$1,859,126	\$53,357	\$7,500	\$45,857
8	2025	2026	\$784,900	\$2,670,466	\$1,885,566	\$54,116	\$7,500	\$46,616
9	2026	2027	\$784,900	\$2,697,171	\$1,912,271	\$54,882	\$7,500	\$47,382
10	2027	2028	\$784,900	\$2,724,143	\$1,939,243	\$55,656	\$7,500	\$48,156
11	2028	2029	\$784,900	\$2,751,384	\$1,966,484	\$56,438	\$7,500	\$48,938
12	2029	2030	\$784,900	\$2,778,898	\$1,993,998	\$57,228	\$7,500	\$49,728
13	2030	2031	\$784,900	\$2,806,687	\$2,021,787	\$58,025	\$7,500	\$50,525
14	2031	2032	\$784,900	\$2,834,754	\$2,049,854	\$58,831	\$7,500	\$51,331
15	2032	2033	\$784,900	\$2,863,101	\$2,078,201	\$59,644	\$7,500	\$52,144
16	2033	2034	\$784,900	\$2,891,732	\$2,106,832	\$60,466	\$7,500	\$52,966
17	2034	2035	\$784,900	\$2,920,650	\$2,135,750	\$61,296	\$7,500	\$53,796
18	2035	2036	\$784,900	\$2,949,856	\$2,164,956	\$62,134	\$7,500	\$54,634
19	2036	2037	\$784,900	\$2,979,355	\$2,194,455	\$62,981	\$7,500	\$55,481
20	2037	2038	\$784,900	\$3,009,148	\$2,224,248	\$63,836	\$7,500	\$56,336

**TID retired  
Year 20**

**Inflation:** 1%  
**Tax Rate:** 2.870%  
**NPV rate:** 4.50%

**Value upon completion:** \$2,515,700  
**Construction completion:** December, 2018  
**Net Present Value of Increment Year 20:** \$578,828

**Exhibit 5**

**Property Owners**

<b>Property Address</b>	<b>Tax Key</b>	<b>Owner Name</b>
<b>704-10 West National</b>	432-1012-111	El Rey Enterprises, LLP

**Exhibit 6**

**City Attorney's Letter**

**GRANT F. LANGLEY**  
City Attorney

**MIRIAM R. HORWITZ**  
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**HEATHER H. HOUGH**  
**ANDREA J. FOWLER**  
**PATRICK J. MCCLAIN**  
**NAOMI E. GEHLING**  
**CALVIN V. FERMIN**  
**BENJAMIN J. ROOVERS**  
**ELLENY B. CHRISTOPOULOS**  
**RACHEL S. KENNEDY**  
**TYRONE M. ST. JUNIOR**  
**HANNAH R. JAHN**  
**SAVEON D. GRENELL**  
**ROSE SIMON SILVA**  
Assistant City Attorneys

November 15, 2017

Rocky Marcoux, Commissioner  
Department of City Development  
809 North Broadway, 2<sup>nd</sup> Floor  
Milwaukee, WI 53202

Re: Project Plan for Tax Incremental District No. 93  
(7<sup>th</sup> and National)

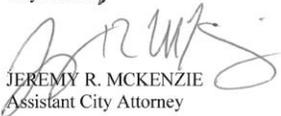
Dear Commissioner Marcoux:

Pursuant to your request, we have reviewed the Project Plan for the above-referenced Tax Incremental District No. 93.

Based upon that review, it is our opinion that the Plan, is complete and complies with the provisions of Wis. Stat. § 66.1105(4)(f).

Very truly yours,

  
GRANT F. LANGLEY  
City Attorney

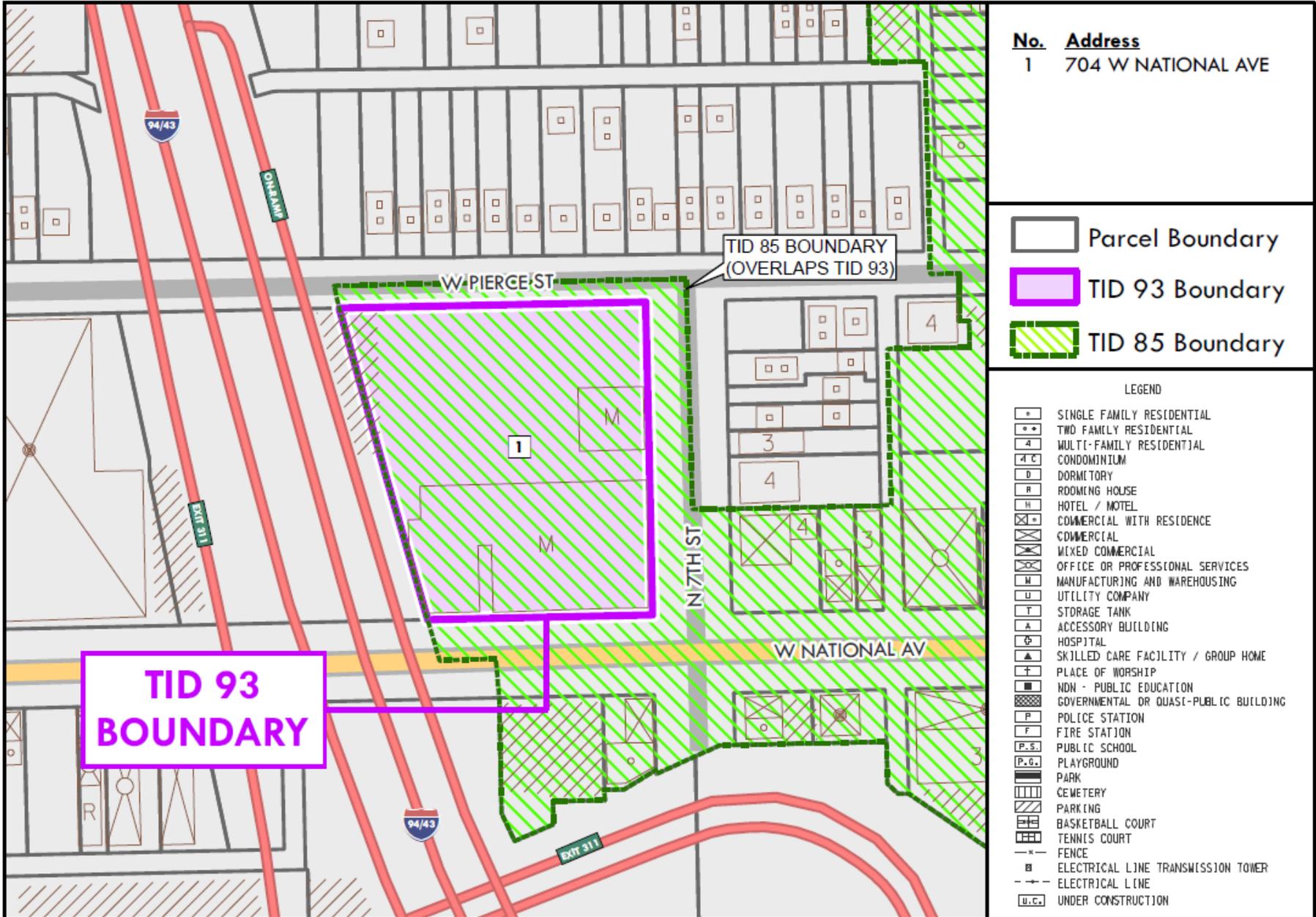
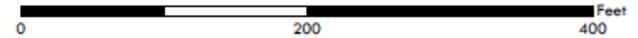
  
JEREMY R. MCKENZIE  
Assistant City Attorney



# TID 93: 7TH AND NATIONAL, MAP 1

## BOUNDARY AND EXISTING LAND USE

Prepared by the Department of City Development Planning Division, 11/2/2017  
 Source: City of Milwaukee Information Technology Management Division



No.	Address
1	704 W NATIONAL AVE

- Parcel Boundary
- TID 93 Boundary
- TID 85 Boundary

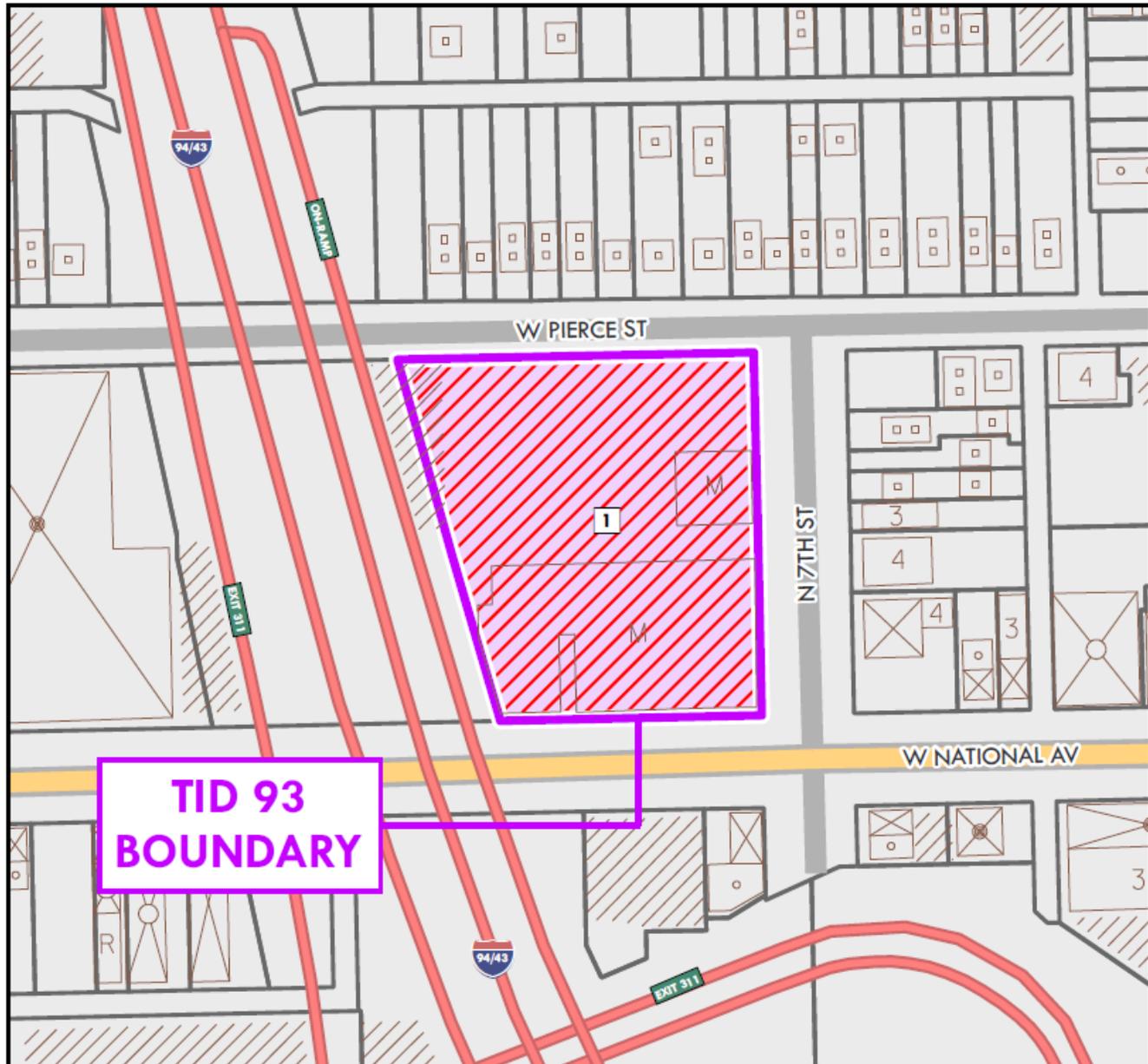
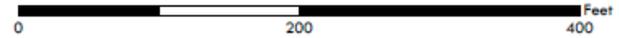
### LEGEND

- SINGLE FAMILY RESIDENTIAL
- TWO FAMILY RESIDENTIAL
- MULTI-FAMILY RESIDENTIAL
- CONDOMINIUM
- DORMITORY
- ROOMING HOUSE
- HOTEL / MOTEL
- COMMERCIAL WITH RESIDENCE
- COMMERCIAL
- MIXED COMMERCIAL
- OFFICE OR PROFESSIONAL SERVICES
- MANUFACTURING AND WAREHOUSING
- UTILITY COMPANY
- STORAGE TANK
- ACCESSORY BUILDING
- HOSPITAL
- SKILLED CARE FACILITY / GROUP HOME
- PLACE OF WORSHIP
- NDN - PUBLIC EDUCATION
- GOVERNMENTAL OR QUASI-PUBLIC BUILDING
- POLICE STATION
- FIRE STATION
- PUBLIC SCHOOL
- PLAYGROUND
- PARK
- CEMETERY
- PARKING
- BASKETBALL COURT
- TENNIS COURT
- FENCE
- ELECTRICAL LINE TRANSMISSION TOWER
- ELECTRICAL LINE
- UNDER CONSTRUCTION

# TID 93: 7TH AND NATIONAL, MAP 2

## STRUCTURE CONDITIONS

Prepared by the Department of City Development Planning Division, 11/2/2017  
 Source: City of Milwaukee Information Technology Management Division



No.	Address
1	704 W NATIONAL AVE

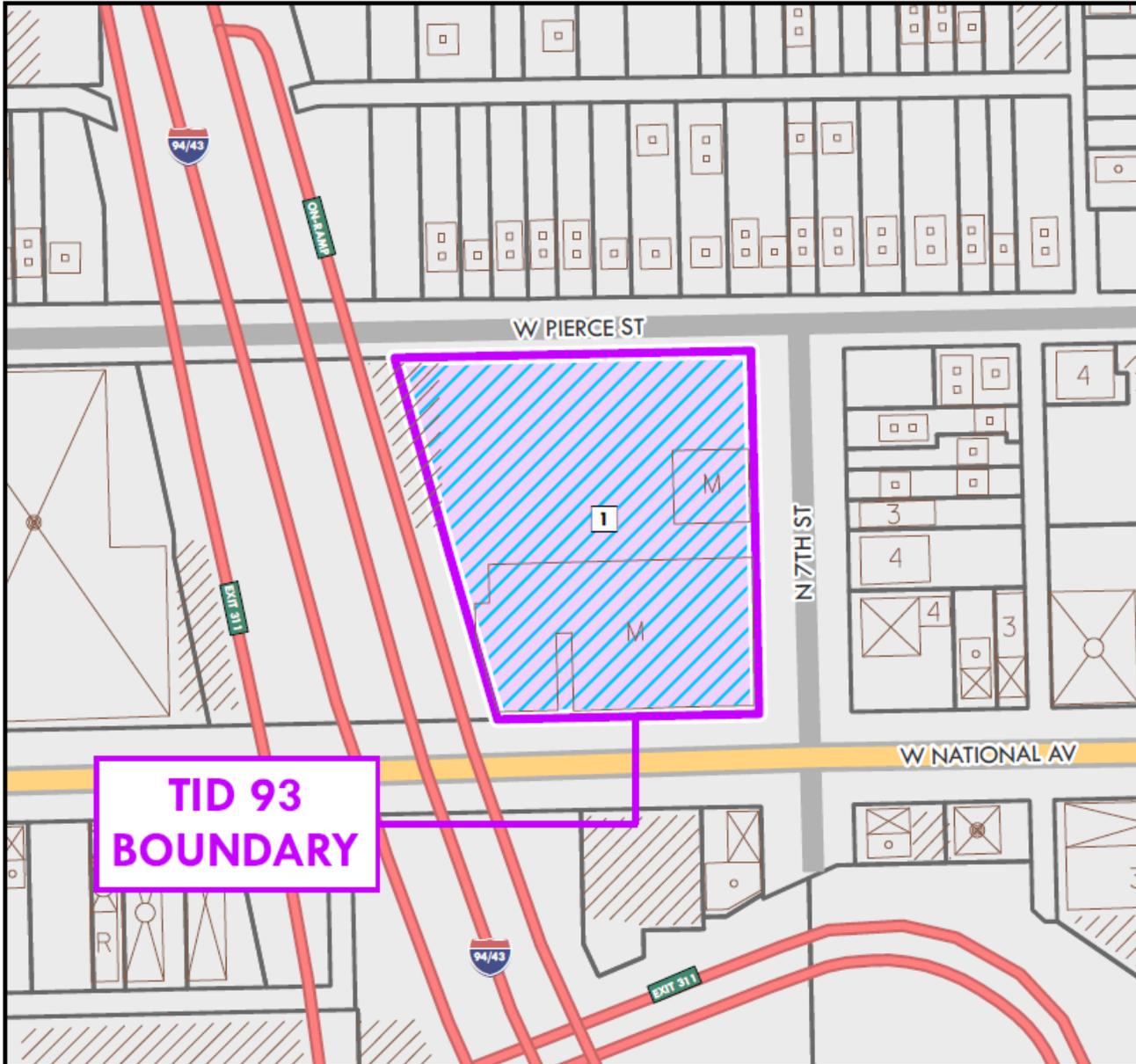
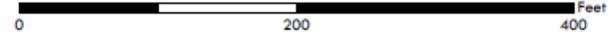
-  Parcel Boundary
-  In Need of Conservation or Rehabilitation
-  TID 93 Boundary

# TID 93: 7TH AND NATIONAL, MAP 3

## PROPOSED USES AND IMPROVEMENTS

Prepared by the Department of City Development Planning Division, 11/2/2017  
 Source: City of Milwaukee Information Technology Management Division

N



No.	Address
1	704 W NATIONAL AVE

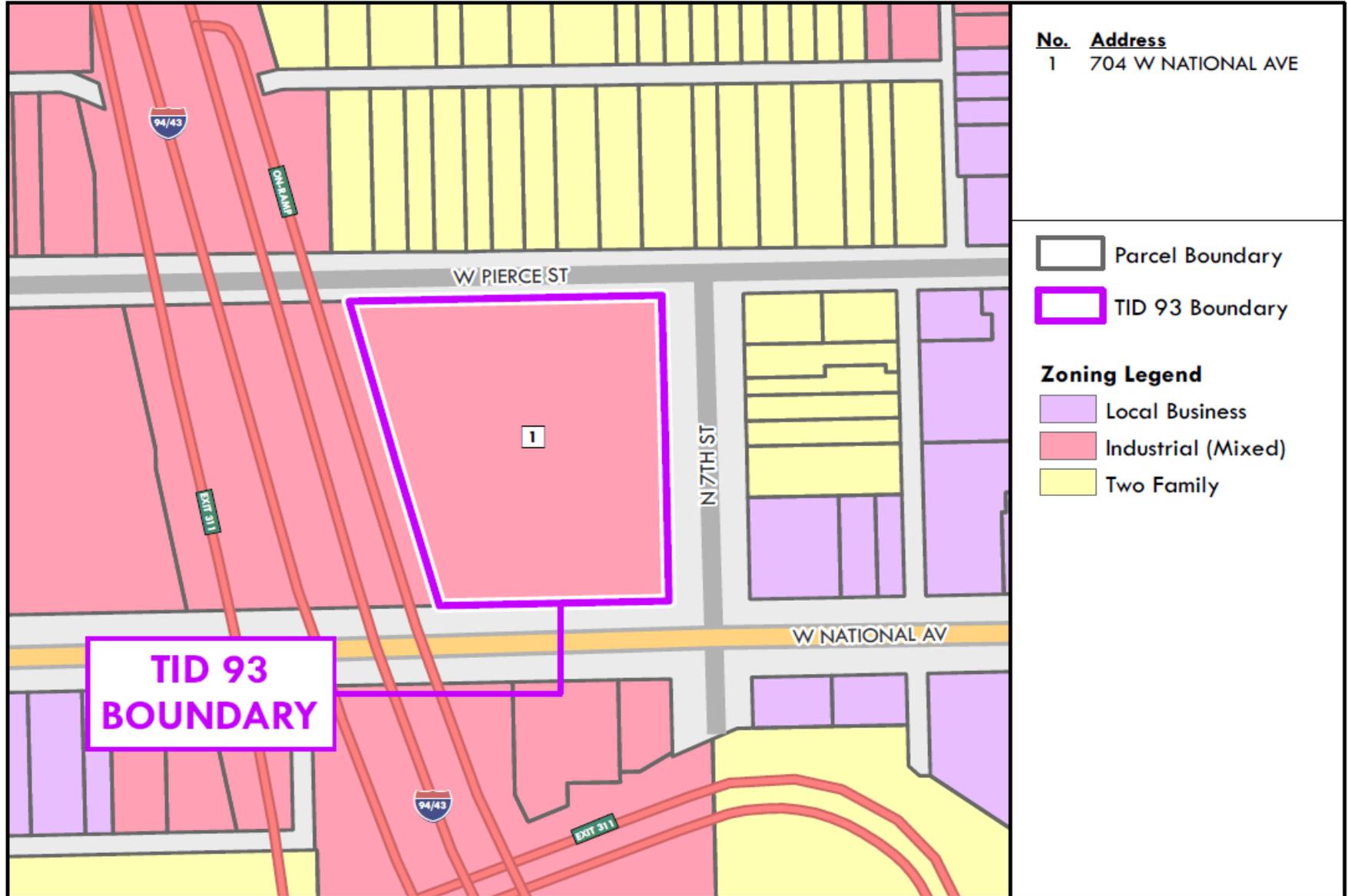
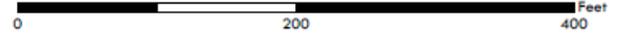
-  Parcel Boundary
-  TID 93 Boundary
-  Existing buildings to be demolished and new building to be constructed

**TID 93  
BOUNDARY**

# TID 93: 7TH AND NATIONAL, MAP 4

## EXISTING ZONING

Prepared by the Department of City Development Planning Division, 11/2/2017  
 Source: City of Milwaukee Information Technology Management Division



No.	Address
1	704 W NATIONAL AVE

- Parcel Boundary
- TID 93 Boundary

- Zoning Legend**
- Local Business
  - Industrial (Mixed)
  - Two Family

**TID 93  
BOUNDARY**